The Financial Post

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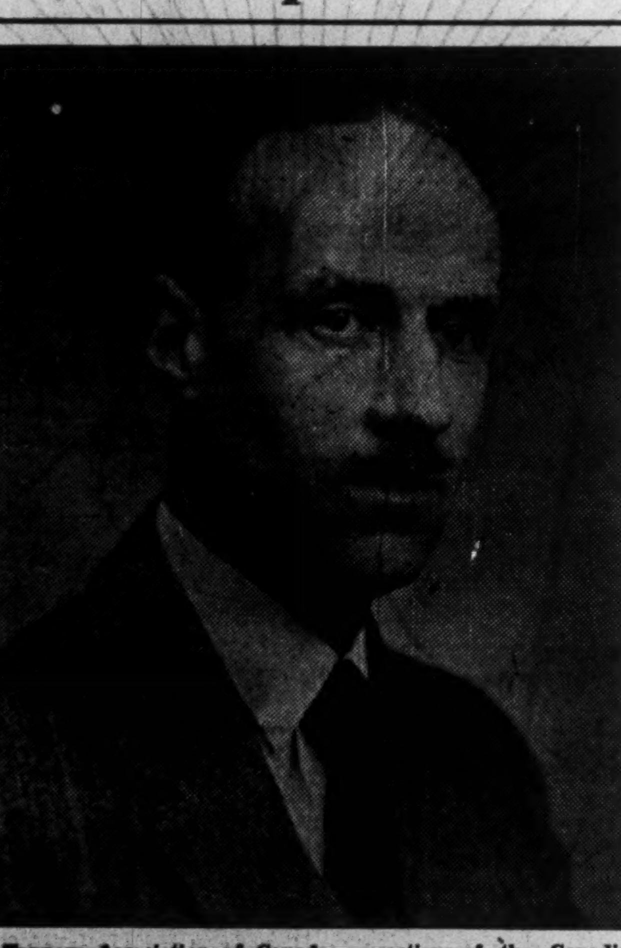
Heads Up Tanners



The Tanners Association of Canada, a section of the Canadian Manufacturers' Association, representing the leather industry, recently elected as president Roy A. Stewart, former Hides and Leather Administrator with WPTB and veteran of 23 years' experience in the industry. Mr. Stewart is president of Barrie Tanning Co. Ltd., and secretary and superintendent of Wicket & Craig Ltd., Toronto. He's a graduate of political science, University of Toronto, spends most of his spare time farming at Kempenfeldt Bay, Lake Simcoe, Ont.

THE NATION'S BUSINESS

ERP Doesn't Solve Our Export Problem

Launching of Washington's European Recovery Program this week does not end Canada's export problem. Actually we are granted merely another breathing spell to develop a sound postwar trading platform.

Briefly ERP underwrites our main food and other contracts with Great Britain this year and in addition gives us an outlet for any surplus of similar products in Continental Europe. Without ERP most of this export, and especially that to Britain, would have been endangered. The United Kingdom, critically short of both Canadian and American dollars, might have been able to continue to purchase our "bargain" wheat, but only at the expense of other Canadian exports.

ERP will ease but by no means solve our own dollar problem. Mainly it will mean that the American dollars that Britain and other European customers formerly used to pay for a portion of our exports (50% in the case of the U. K.) will now come from Washington, plus the extra American dollars that Canada had to supply in the last two years, from its own wartime accumulation, to finance this trade. Under ERP it should no longer be necessary for this country to dip into its American dollar reserves to keep food and other essential products moving to Europe.

Easing of those immediate problems, however, should not blind us to the fact that the long-term picture has not changed. ERP will not last forever. At best it is in the nature of a blood transfusion not a permanent cure. Eventually world trade must stand on its own feet, with the nations exchanging goods and services for other real goods and services.

Some of the exports we are now sending across the Atlantic would not normally go in that direction. Europe would produce their own or buy more cheaply from other sources. For these we must open and develop other export outlets, particularly in the United States, Latin America and our sister Dominions. And the time to do that opening and developing is now; not after ERP has expired.

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Nine Countries or One?

Before Joseph Sedgwick, Toronto barrister, could represent a client in an Alberta court this week, he was required to pay a fee of $1,510. This went to the Law Society of Alberta, which immediately "called" Mr. Sedgwick to the Alberta Bar.

Actually the exorbitant fee is a provincial tariff, designed simply to keep all Alberta law business for Alberta lawyers. And other provinces have similar barriers, those of Ontario and B. C. being just as high, the others more modest. The fact that some of these provinces haven't even their own law schools doesn't make any difference. The business is preserved for the favored native sons, or those that can meet what to a young lawyer must be almost a prohibitive admittance charge.

This sort of thing is wrong. It tends to divide the country into nine little airtight compartments. It is directly contrary to the spirit of the British North America Act which aimed at developing Canada into a single and united nation. If we ever hope to achieve that worthy goal then there must be no internal barriers against any citizen or industry. We want no special sovereignties within the Dominion either professional or otherwise.

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Why We Don't Work Harder

Only through more production of goods and foods is there any hope of getting prices down and removing the threat of inflation. To accomplish that means greater output for every worker. One doesn't have to be an economist to realize that simple lesson and yet in practically all industries output per worker is not increasing but in many cases it has diminished.

Why?

Robert P. Jellett, President of the Royal Trust Co., in a national radio address last week, answered that question bluntly. Taxes, he said, are too high.

A workman in any occupation, pointed out Mr. Jellett, is working Monday and Tuesday of every week for the Government. Directly and indirectly taxes absorb up to a third of his weekly pay cheque. True, for this money the Government collects it gives us many services, but the average human being does not relish the prospect of someone else spending such a large proportion of the money he earns. Mr. Jellett put it this way:

"High taxes, more perhaps than anything else, depress incentives; and if production is to be stimulated, the extra effort must receive the extra reward. To expect people to work harder, and to be practically penalized for doing so, is not to deal in the realities of human nature in a free society.

"For this reason, it would seem more realistic, and therefore more effective, if taxation upon earnings were lowered, so that the greater impetus might be given to the added effort."

Anyone with the slightest practical experience in the working of human nature must agree with that forthright statement. But getting taxes substantially reduced is not going to be easy. It will require the real co-operation of every citizen. Above all there must be a drastic change in the all-too-prevalent practice of looking to the Government to provide security and services the individual should and could supply himself.

Canadian Share of ERP May Put Ottawa on Spot

U. S. Said Pressing for "Parallel" Contribution; Dominion Might Utilize Last of Credits Already Voted

OTTAWA (Staff) — Canada may soon be put "on the spot", to indicate how much she can contribute toward European relief in the next 12 months.

There are indications that the question of a contribution from this country, to match the new ERP program in the United States, is likely to be aired very soon, both here and in Washington.

Officials here say that the chances of Canada's making any immediate substantial contribution are slim. They point out that Canada has already extended herself in this direction; that she has already been forced to terminate the U. K. credit entirely. They say that unless further exports to Europe are paid for in dollars, this country may run the risk of further depleting her presently low supply of gold and U. S. dollars.

Washington Wants Action

But in Washington there is considerable political pressure to have some contribution or commitment from western hemisphere countries to parallel ERP aid. When the program was under review before Congress, the State department undertook to promise that western hemisphere countries would put up $700 millions as their "share" of ERP over a 15-month period. This was supposed to match the corresponding U. S. contribution in that same period of $6.8 billions.

Now that ERP has been scaled down to a $5.3 billions expenditure over a 12-month period, the proportionate contribution from western hemisphere nations would be about $560 millions.

No one has attempted to say

(Continued on page 3, col. 5)

Cut Spending, Lower Taxes Urges C of C

Definite proposals for changes in revenue, expenditure and debt policy of the Federal Government are contained in an important brief submitted to Ottawa at midweek by the Canadian Chamber of Commerce.

Here are some of the main recommendations:

Reduce personal and corporation taxation.

Divide budget surpluses in such manner as to provide for relief of current heavy taxes and partly for the redemption of Dominion debt held by banks.

Reduce sales and excise tax and other levies entering directly into cost of production.

Reduce Government spending and undertake no capital projects unless aboslutely essential.

No further fixed obligations for social security measures at the present time.

Serious and immediate consideration be given by Dominion and Provincial governments to achieve some over-all taxation settlement acceptable to all provinces and Ottawa.

Eliminate double taxation on corporate earnings.

Apply the principle of tax equality to all business enterprise, whether corporation or co-operative, private, publicly or government owned.

Enact a sound depreciation policy and obsolescence allowance to permit a properly planned and adequate replacement policy.

Postpone for at least another year the date of ascertainment as to whether or not inventory reserves under the Excess Profits Tax Act are no longer required.

Dofasco Defers Expansion Plan Due to Costs

Dominion Foundries & Steel Ltd., Hamilton, has postponed indefinitely its program of installing a new blast furnace and a battery of coke ovens due to the high cost of construction, President F. A. Sherman tells The Financial Post.

The final bids for construction, which had been estimated to cost $15 millions, jumped so far above the estimate that the company decided it was uneconomic to proceed with its plans at the present time, he added.

Production is satisfactory so far this year and should show about the same as in the first quarter last year, Mr. Sherman states, but pig iron and scrap are still very scarce.

Dofasco's new continuous tinning line is coming along quite slowly due to inability to obtain delivery of materials.

PRICES

ERP and U. S. Government plans to maintain military health spelled out good news to Canadian metal producers on the New York metal market this week:

Lead, of which Canada is world's fourth largest producer (excluding Russia) went up 16.6% to an all-time high of 17½c a lb.;

Copper, of which Canada is also world's fourth largest producer, could rise any time with users seeking far more tonnages than could be had;

Zinc — as a producer of which Canada stands second to the U. S. — likewise held firm, could rise any time in face of demands far in excess of supply;

Platinum, of which Canada is the world's sole major producer (outside Russia) soared nearly 20% (in a fourth increase since December last when price was $62 an ounce wholesale) to $86 an ounce wholesale, $89 retail.

In the case of all but platinum, hardening of the market could be traced directly to ERP and U. S. Government stockpiling needs.

In the case of platinum these were indirect causes. Main reasons for the increase lay in continued absence of Russian supplies from the market and a certain amount of buying by individuals as a hedge against inflation and war.

The stockpiling position in lead is regarded as serious. Present stocks held by the U. S. Government are estimated at an all-time low of 2,000 tons as against the one million tons the Government's military advisers deem necessary for military preparedness.

Following the New York increase a like increase (of 2½c a lb.) was announced at midweek by Consolidated Mining & Smelting Co. of Canada Ltd. largest of Canadian lead producers (see page 25).

ERP and likely defense requirements also continued to have a bolstering effect on cotton prices in New York.

May cotton, which had been

(Continued on page 3, col. 4)

Late Spring Encouraging To West's Crop Outlook

(Special Correspondence)

WINNIPEG — Spring is coming very slowly in the West, and a great deal of snow has yet to disappear from fields before any work on the land is contemplated. A late seeding season seems in prospect.

Moisture conditions over practically all the West are excellent. Subsoil moisture is good and melting snow may give plenty of topsoil moisture for germination. Heavy reservoirs of snow in the mountains are regarded in Alberta as encouraging.

Over a considerable part of Saskatchewan, grasshoppers are regarded as a potential menace because of a large number of eggs in the soil. The Provincial Government, and many farmers, are making preparations for a poisoning campaign if that should become necessary. There is always hope, however, that an early hatch of grasshopper eggs will be followed by heavy killing from unfavorable weather.

Expect More Wheat

A considerable increase in wheat acreage is in prospect, with a tendency for farmers to put into wheat as large an area as possible. The present price structure invites a transfer of acreage from other grains to wheat. Actual seeding will depend largely upon weather conditions, because other crops can be seeded after the critical day for wheat seeding is passed.

Until recently there was a good deal of fear of a dry season for the West; but such fears were based largely on historic weather patterns and the knowledge that recurring dry years are to be expected over a large part of the West. Actually, a very considerable area last year was dry during the growing season, and past experience had been that drought areas tended to grow from year to year. Even good reserves of subsoil moisture have been exhausted in the past by long prevailing hot winds from the South during the summer.

It was feared last fall that dry conditions in the Middle Western States might be heralding a general North American drought. Such fears have been largely removed by good winter precipitation in such States.

For the present, there is nothing unsatisfactory in the Western outlook. Generally speaking, most farmers would prefer to see a late spring rather than an early one, so that reserves of moisture locked in the soil are not exposed too soon to drying action.

Will Banks Tighten Up Loans On Capital Investment Plans?

"Suggestion" From Bank of Canada Seen Direct Move in Fight on Inflationary Pressure – May Provide Financial "Brake"

By KENNETH WILSON

OTTAWA (Staff) — It is believed here that the Bank of Canada recently took definite steps to curb the volume of new capital investment in Canada in 1948.

One most important approach has been through direct suggestion to the Canadian chartered banks.

The aim has been to discourage chartered banks from further extensive loans to corporations for capital expansion (most chartered banks had apparently been thinking along these lines even before there was any direct "suggestion" from the Bank of Canada). The extent of these corporation loans was very substantial in 1947.

An indication of the official Government view of the situation is seen in the statement of Finance Minister Abbott before the Academy of Political Science at New York last week, that "what we need is a slowing down, not a sudden cessation, of capital development."

Behind the Bank's move is believed to be this reasoning:

The enormous capital investment program is adding to inflationary pressures in Canada;

Our productive capacity may be getting out of hand at a time when the cost of securing that capacity is relatively high in materials;

The program is putting an added strain on our U. S. dollar-saving program;

Loans by the chartered banks for capital investment are getting high in relation to their cash reserves.

Chartered Banks' Position

As Mr. Abbott told his New York audience: "The monetary policy which has been followed in the last two years has been of a type designed to supplement the restraining effect of the Government's policy of paying off debt out of current surpluses. As a result of central bank action, for instance, the average cash reserve of the chartered banks has been maintained at a slightly lower level in 1946 and 1947 than at the end of 1945, although the effectiveness of this action was weakened to some extent by the willingness of the banks to let their cash ratios run down a bit."

It is no secret that the Bank of Canada views with some concern the dimensions of the capital investment boom which Canada was enjoying in 1947 and which gave evidence of being continued or even enlarged in 1948. Gross private investment in Canada in 1947 rose to the almost fantastic height of 21½% of gross national production. The corresponding figure for the United States was only 13%.

During 1946, and to some extent in 1947, the most important "brake" on this investment boom was the shortage of physical materials and skilled labor. Now the equally important factor of a possible financial "brake" emerges.

Along his line, Mr. Abbott said: "Activity of this degree of intensity ($2.8 billion capital investment forecast for 1948) naturally exerts a severe strain on our economy and on our cost and price structure. Particularly in the case of labor, materials and equipment used in capital goods expansion, the pressure of demand has been and still is intense. . . . From the point of view of the industrial borrower, demand is so intense that it would take a really substantial change in interest rates to dampen his enthusiasm and make him defer capital project. Difficulty in obtaining loans or in floating securities would be a much more effective deterrent than higher (interest) rates."

The Savings—Investment Gap

Significant figures released last week by the Dominion Bureau of Statistics in the February Canadian Statistical Review, show a very wide gap between personal savings and private investment in Canada last year. The two figures are shown to have moved in the opposite directions. As well, the important role which the chartered banks played in closing this gap is revealed.

The Review points out that chartered bank holdings of Dominion Government securities dropped $669 millions during 1947. Meanwhile, the banks were extending an even greater amount of funds than this to the capital loan market. It puts this amount at $461 millions in the form of currency loans and $316 millions in the purchase of securities from corporations and from municipal and provincial governments.

Total private investment increased from about $1.8 billions in 1946 to $2.8 billions in 1947. The requirements of private investors for funds to finance this expenditure, rose by a like amount.

In contrast, the Review points out, personal savings of indivi-

(Continued on page 3, col. 1)

Canada Draws $80 Millions On E-I Credit

OTTAWA (Staff)—On April 1 the Government made a second drawing for $30 millions on its Export-Import Bank line of credit at Washington. This brings its drawings to $80 millions, on a total credit of $300 millions. It is expected the Government will draw down a regular amount on the first of each month until the sum is exhausted.

Official figures given to the House of Commons last month by Finance Minister Abbott on Canada's holdings of gold and U. S. dollars, showed these reserves at $527 millions just before the first drawing on the Export-Import Bank.

Recently, in evidence to a Senate Committee, Graham Towers, governor of the Bank of Canada, pointed out that there were two important qualifications to be made in assessing Canada's present gold and U. S. reserve position.

1—That the gain from a low of $461 millions in December to $527 millions in February, included a special payment of $30 millions on capital account from the U. S. Government, in settlement of an outstanding war account having to do with capital equipment in the Alaskan area.

2—That figures in the early months of the year tended to be favorable because there was a small flow of earnings and dividend payments by subsidiary corporations in these periods.

Once earning figures for 1947 are established, the movement of earnings by Canadian subsidiaries to parent companies in the United States, would tend to reduce the present small favorable monthly dollar balance considerably.

February figures for balance of trade between Canada and United States are expected to show a slight improvement over January when imports from the United States exceeded exports by $43 millions.

Sugar Beet Growers Sign

Last minute signing of a contract between Canada & Dominion Sugar Co. and a committee representing Ontario sugar beet growers may have warded off a solar plexus punch to the important southwestern Ontario sugar beet industry.

One big question remained: just how much acreage can be signed up before April 24—the deadline. Minimum planted acreage to justify continuing operation of at least one of Canada & Dominion's two Ontario refineries is estimated at about 20,000 acres.

In signing the 1948 contract, growers have taken a $1.32½ a ton cut on sugar beets with a sugar yield of 16%. Last year's price was $12.27½ a ton delivered at factory (16% sugar content) with sugar priced at $7 per cwt. This year's price for comparable beets—$10.95 per ton.

Inside News

The Highway Fight

Is the "Trans-Canada" Highway completed? Well, yes, and no, A 4,200-mile route now extends from Atlantic to Pacific, all on Canadian territory. Where will the "official" highway go? The Financial Post surveys the route, and analyzes the engineering and economic bogs still to be encountered (p 15).

Are Freight Rates Fair?

Are railway freight rates too high, following the 21% increase granted last week? Should the boosts have been applied on a sliding scale, in the case of different industries? Canadians in public life discuss the question, and are far from unanimity on it (p 12).

Cripps' First Budget

The international situation in Western Europe today is perhaps tenser than ever before; but there are encouraging signs that Britain and U.S. occupation forces are stiffening their stand toward Russia. Sir Stafford Cripps presented his budget in the British Commons this week; an "austere" one, despite a £600-million surplus. London Calling, by Adelphi (p 28)

Compton Fund Up

Recent stock switches net Compton a cash profit of $106.40, or 24.2% on the book cost of the securities which he sold; and increase his expected annual income by $40 to a new high of $747.58. Managed Investment (p 5)

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Federal Budget Won't Be Down Till Early May

OTTAWA (Staff) — There is now no possibility of Finance Minister Abbott's bringing down the federal budget in April. The present hope is that it will appear reasonably early in May, but even that isn't certain.

Last year, the budget was presented on April 29. Mr. Abbott by nature and inclination likes early budgets. But this year prolonged discussion on fiscal measures surrounding the dollar-saving program, has caused delay.

Upset in Used Car Market?

Survey Shows Prices Up in Toronto, Down in East, West

By RONALD WILLIAMS

How is the used car market holding up?

It depends on where you live and what you want, shows a survey of six Canadian cities this week by The Financial Post.

Out West, prices are reportedly down 10% - 20%. In Saskatchewan particularly, dealers say they are loaded with cars.

Winnipeg reports little change; Montreal down 10% - 15%; Edmonton, down 10%; the East Coast, down 15%. But in Toronto, most dealers are beaming.

One admitted he was ashamed of the prices he's getting for 1948 Chevrolets, Pontiacs, Dodges and Plymouths. But to get them to sell, he's having to pay anywhere from $100 - $300 over list. This means $2,200 - $2,350 retail for cars that sell new for around $1,850.

But they don't mention Ford products. Since it became generally known that completely new Ford models are due anytime now (The Financial Post, April 3) the market has sagged more than somewhat. One Toronto dealer said he wouldn't touch one over $1,200. Two months ago, they were paying $1,600 - $1,800 to get them.

However, this only applies to postwar models. Prewar Fords, like any other make, are still fetching fancy prices. Cars in this class are getting scarce all across Canada and increase in prices is fairly general.

Outside Toronto dealers were blaming the price drop on two things: more new cars are available; a drying up of ready money. The feeling in Toronto is that spring breezes, war talk and import restrictions on cars have pushed these two factors in the background, at least for the time being.

In the United States this week, used car prices showed definite signs of regaining ground lost in the recent nosedive. Credit there for the upswing is given to war talk and possibility that diversion of steel will mean a cut in auto output.

Here's a city-by-city report:

Toronto: 1947 and 1948 models still away over list but sales resistance developing to 1946 models. However, prices for 1946 makes still $100-$300 above original new price ($1,450-$1,600). Supply tightening slightly, due probably to fact that import restrictions have cut factories deliveries as much as 60% in some cases. Demand increasing for prewar models. In most cases, prices higher this year. Classy models like Buicks, Packards, Cadillacs are few and far between because hardly any have been brought in since the ban went on last Nov. 18. Consequently, they're as scarce as Stanley Steamers and about as expensive — anywhere from $3,000 to $4,100. Some typical prices; '48 Chevrolet Fleetline, $2,400 ($2,200 in Albany, N.Y.; $1,860 off the showroom floor in Toronto); '47 Chevrolet, $1,700; '47 Plymouth, sedan, $1,765; '47 Buick convertible, $3,500.

Edmonton: Demand and prices for popular makes 1936-41 holding firm but postwar model moving slowly. Some 1947's being offered $100-$200 below list. 1928-32 models still bringing $150-$200. 1941 Chevrolet went for $1,175. Dealers say more new cars around than generally believed. Those who can afford them, have decided to wait rather than get one from the used car lot.

Vancouver: Prices down 10% from last year but firming lately. Volume down slightly but dealers believe this a seasonal decline. Here too, 1938-42 cars still bringing high prices. One dealer said: "I can still get as much for a 1940 Plymouth as I did last year." Luxury models also in good demand. Owners still asking fantastic prices.

Montreal: Prices down 10%-15%. Dealers feel they hit price peak last summer. Business "quite

(Continued on page 3, col. 6)

Pace of Business

Stocks moved higher this week, continuing previous week's strong advance. Industrials, base metals and papers showed gains of three to nine points on TSE and MSE indices; western oils, golds, showed lesser gains. TSE and MSE short positions both moved lower; Toronto "shorts" dropped from 389,762 shares on March 15 to 311,917 shares, March 31.

Construction awards first quarter $128.5 millions, off 6% from a year ago; March $51.3 millions, up 19% from month before, 34% from a year ago. Housing strength, factory weakness continue.

Iron and steel output totalled 239,600 tons in February, down 17,100 tons from previous month, but up 10,400 tons from February, 1947.

Bank savings deposits advanced $56 millions to new high of $3,880 millions in February. Demand deposits, down $222 millions in January, showed $32 millions recovery to $2,105 millions.

Motor vehicle shipments totalled 16,382 in February vs. 16,715 previous month and 20,331, February, 1947. Shipments for latest month: 9,926 passenger cars, 6,446 trucks, 10 buses.

Unemployment insurance benefits totalled $3.9 millions in January vs. $2.5 millions in December, 1947 ($4 millions, January, 1947).

Railway freight traffic reached a peacetime peak of 152.7 million tons in 1947 (up 12% on 1946); total within 2.2 million tons of wartime peak reached in 1944.

Cost-of-living index touched new high of 150.8 on March 1, 1948, but month's increase of 0.7, smallest for last seven months. Increase in index since March, 1947, 21.9 points.

Canadian labor income totalled $541 millions in December, 1947, $12 millions less than November total, but $74 millions (16%) higher than year previous.

Gold mining subsidy obtained "unanimous approval" in House of Commons; goes to Senate. **Changes** include: Limit on subsidy to $16 per oz. (for mines with $50 costs or more); change in starting date to Jan. 1, 1948; "base period" of first new operating year for previously closed mines.

EATON'S

What's your Game?

... no matter what, you'll find the Sporting Goods Departments at EATON'S a veritable "Sportsman's Paradise," replete with the clothes and equipment you need!

EATON'S

How Is Industrial Credit?

Here's How Dealers, Manufacturers Use It

BY CLAUDE TAYLOR

How many of Canada's businesses are operated on a credit basis? Practically all of them. Regardless of terms—seven or 30 days—supplying of merchandise from the manufacturer, to the wholesaler or jobber, to the retailer, can be classified as credit.

How many of Canada's business houses use installment credit or loaning facilities of the finance companies? Perhaps 10,000 or more. In the industrial field alone close to $50 millions change hands annually in the financing of merchandise from the manufacturer or wholesaler to the user; over $100 millions annually in the automotive field; millions of dollars in the home appliance and personal loan fields; additional millions more where the manufacturer carries his own paper and finances through the aid of bank support.

In a modest way prior to 1930, Canada's finance organizations commenced lending a hand in financing the industrial user who desired using this service rather than reducing or depleting cash resources.

Business surpassed all early expectations, reaching $23 millions (including trucks) in 1941, and nudging $50 millions (excluding trucks) in 1947.

Why has it expanded? Here's one of the reasons: Educational and promotional work on the advantages of financing industrial equipment, particularly where a bulldozer, printing press or woodworking machine will return a steady income to meet monthly payments on purchase. Another is the mechanization of the lumbering industry in northern Quebec and British Columbia which has necessitated financing of heavy equipment in those territories.

Here's how it works: The manufacturer secures a letter of approval from the finance company on the purchaser, receiving 90% to 100% of saleable price in cash, depending on the finance company underwriting the risk. The buyer pays the finance company 30% cash and agrees to pay the balance in monthly installments for a period of 12, 18 or 24 months. In some cases longer terms are granted, depending on the use and earning power of the equipment.

What's the security? The finance company holds a conditional sales contract and has recourse to repossession on non-payment, merchandise returning to the manufacturer.

Experience? Repossessions are just a fraction of 1%.

Here are a few of the lines financed in the industrial equipment field:

Construction machinery and equipment; snow removal equipment; dairy machinery; garage equipment; woodworking equipment; machine shop equipment; stationary engines (gas and Diesel); marine engines; commercial refrigeration; cold storage equipment; ice cream cabinets; beauty parlor equipment; laundry and dry cleaning equipment; theatre and photographic equipment, etc.

Regardless of the rapid growth in industrial equipment, financing of motor vehicles (after 30% down payment) — through finance companies represents more than all other fields combined, excepting perhaps departmental and retail stores and personal loans.

This is the Dominion Bureau of Statistics box score in the automotive industry:

Year	Value $	Number (New & Used)	Aver. Value $
MOTOR VEHICLE FINANCING			
1929	88,165,531	164,131	537
1939	62,768,746	153,107	410
1946	41,586,565	53,393	779
1947	108,767,046	117,447	926
NEW VEHICLES FINANCED			
1929	48,104,523	71,582	672
1939	27,852,627	37,320	746
1946	27,978,992	22,866	1,224
1947	66,005,941	46,547	1,418
NEW VEHICLES SOLD (Retail Value)			
1939	125,967,521	114,747	1,098
1946	193,329,005	120,044	1,611
1947	402,306,673	223,145	1,803

The above table illustrates where inflated values reflect the substantial increase in dollar vaue in financing of new and used cars and trucks, but at the same time indicate a lower percentage in relation to total unit sales.

Additional DBS figures show that only 21.36% of all new cars and trucks manufactured in 1947, were financed through Canadian financing institutions. Some 34.8% were financed in 1941.

In the home appliance field financing still continues of substantial proportions, but volume has been affected by the "glut" of lower-priced radios in retailers hands. However, the situation is expected to ease shortly and in the meantime financing of refrigerators, ranges and washing machines continues important.

J. H. Ranahan, vice-president and general sales manager, Industrial Acceptance Corp., tells The Financial Post: "Financial positions of established dealers, as a whole, have greatly improved over the war years, but it now requires greater capital to operate in these times of increased prices and to some extent 'opens the doors' to finance companies." Mr Ranahan foresees no signs of imediate slowing up in the sale of durable goods.

Personal finance companies have experienced close to a 40% increase in business in the past few months. Borrowings have shifted to a considerable extent from the low-wage earner to the higher income group. The small man has increased his normal borrowings of from $100 to $200 and the higher bracket earner from $500 to $1,000. Current loans are being secured for purchase of houshold goods, used cars and trucks, down payments on homes and for business purposes. Collections are reported a little more difficult to make and now require the services of collectors to some extent.

An innovation in the retail merchandise credit field has developed in the jewelry line. Peoples Credit Jewellers, Toronto, has offered a purchase-on-credit plan to American tourists. This plan has been adopted by President Frank Gerstein to attract more American dollars into Canada and to help relieve existing unfavorable trade balances.

It's Your Money

BY BRUCE MACKINNON
Maclean-Hunter Editorial Research

Although the Wartime Prices and Trade Board is supposed to be in the winding-up stage, it and its bulk trading affiliate, the Commodity Prices Stabilization Corp. will cost the taxpayer nearly $22 millions in the coming year, or nearly $2 per head.

The sort of service the taxpayer is getting for this money is evidenced in the present butter shortage.

Last January, when the 73-cent a pound ceiling was imposed on butter prices, butter experts freely predicted that the price was too low to ration remaining supplies; that shortages would develop sometime in March or April. This prophecy was published in The Financial Post of Feb. 14, 1948, and the information on which it was based was readily available to Ottawa's experts. Butter men advised the Minister of Agriculture last December that imports would be necessary to avoid a shortage.

In spite of this warning, nothing was done to put a brake on consumption or add to supply. Supplies are 31% lower than a year ago. The board has not taken steps to import butter, the margarine ban has not been lifted, price has not been permitted to ration the supply, nor has any other form of rationing been adopted.

New Eaton Store To Be Windowless

From Our Own Correspondent

VANCOUVER — The big T. Eaton Co. store to be built on the site of the old Hotel Vancouver will be practically windowless. Store men here conjecture the building in that respect will resemble the recently built F. & R. Lazarus store in Houston, Texas, considered North America's "most modern."

The main store will be 260 feet square at the base, about 9 stories high on Granville, Georgia and Howe streets. Joined to it will be a 6-story wing along Howe St. to house offices, etc. The whole building above its display windows on street level will be practically without windows.

ASSOCIATION EXECUTIVE AVAILABLE

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BOX 206, THE FINANCIAL POST, TORONTO

Ottawa's ERP Machinery Ready to Start Rolling

OTTAWA (Staff) — The government has now completed extensive preparations to administer the billion-dollar portion of ERP expected to fall within Canadian territory.

First important step is the naming of C. M. (Bud) Drury of the Department of External Affairs as Co-ordinator of ERP in Canada.

Mr. Drury, son of Victor M. Drury of Montreal, during the war achieved an international reputation as administrator of UNNRA in Poland. He will have his headquarters in Ottawa. Interdepartmental problems affecting ERP will centre in his hands. Mr. Drury's role will be purely that of a co-ordinator. All matters of policy affecting Canadian participation will be in the hands of cabinet and various interdepartmental committees which have been set up.

These committees are four in number.

1. **A top cabinet committee** on External Trade Policy chaired by Rt. Hon. Louis St. Laurent.

2. **An inter-departmental committee** chaired by Lester B. Pearson and comprising deputy ministers of departments affected by ERP matters of external trade policy. Graham Towers of the Bank of Canada is also a member of this committee.

3. **A special sub-committee** on External Trade Policy chaired by Herbert Moran of the Department of External Affairs and primarily concerned with detail of matters such as ITO and ERP. The main job of this committee is to act as a "dumping ground" for problems which arise. After being thrashed out, the "answer" usually moves "upstairs" in the form of a memorandum to the main committee.

4. **Special "availabilities" committee** chaired by Alex Skelton, Director General of Economic Research in the Department of Reconstruction and Supply. Responsibility of this committee is to prepare data on availability of Canadian supplies for the ERP program. To recommend imposition of controls of or when necessary to ensure supplies, and to recommend diversion of foods or materials from existing markets. The committee includes representatives from Trade and Commerce, Agriculture and Fisheries.

As well, half a dozen government departments have now named one key individual who will in future be primarily responsible for handling ERP as it affects their interests.

$700 Millions in Canada

With passage of the $5.3 billions ERP Bill at Washington on April 3, the effective period of U. S. aid becomes virtually the 12-month period beginning April 1, 1948, and ending March 31, 1949.

Out of this money, the original estimates submitted by departmental officials at Washington suggest an eventual distribution in Canada of possibly $700 millions or about $60 millions a month.

It was originally estimated that the 16 participating ERP countries would require from Canada about $1 billion of foods and materials in the 15-month period. The detail follows:

(Prices as at July 1, 1947. In Millions of dollars)

	April to June 1948	July 1, 1948 to June 30 1949	Total 15 month Period
Bread Grains	109.0	455.4	564.4
Coarse Grains	....	15.3	15.3
Fats and Oils	....	1.3	1.3
Meat	25.6	102.3	127.9
Dairy Products	9.7	20.8	30.5
Eggs	15.4	30.6	46.0
Dried Fruit	.3	.3	.6
Other Foods	1.2	19.0	20.2
Tobacco	2.7	10.9	13.6
Farm Mach.	....	22.4	22.4
Timber	38.1	152.6	190.7
Iron (semi-fin)	5.4	21.7	27.1
Iron ore (rich)	.9	3.6	4.5
Trucks	3.2	13.0	16.2
Timber Equip.	...	.1	.1
Total	211.5	869.3	1080.8

At present each of the 16 participants is submitting a revised estimate of actual needs for the four-month period, April-July, 1948, inclusive. Once these estimates are available, they must then be checked by State Department or ERP officials at Washington. Once okayed there, it will be up to supplying countries like Canada to state whether or not the required supplies are available for shipment.

Britain's Position

Revised British estimates received here this week indicate that the British "Demand" on ERP for the next three months is considerably higher than was originally indicated. In part, this is due to a request that some sterling area needs be now included in the ERP program. In short, Britain is now asking either that her requirements include some allowance for sterling area needs or that these areas be given a separate allocation.

There is no indication as yet whether Washington will even consider this request. The general understanding about ERP has been that it would cover only needs of Continental Europe. The question of what assistance if any be given Newfoundland would probably be involved in this decision.

As well, the new British statement raises important questions as to how much offsetting "credits" would be available from Canada to reduce the net drain on ERP funds. The new British account suggests there would be considerable offsets. Unless these are through greatly increased U. K. exports to Canada, some question arises now as to their validity.

Assuming European "demands" on Canada are of the order of $70 millions a month (as indicated in the above table) and assuming that all the supplies requested are available for shipment, then the "net" payment of ERP funds to Canada would be reduced; (a) by any dollar earnings which these countries would have in Canada; (b) by any contribution which Canada decides to make on its own to match the U. S. ERP aid. (This question of a separate Canadian contribution is discussed in a special report elsewhere in this issue.)

What emerges from all this is essentially the fact that overall Canadian exports to Europe during the next 12 months are not likely to change materially. What is happening is that whereas these exports would have had to stop failing ERP, they will now be continued on substantially the same scale as heretofore. This is assuming that problems of proportionate contributions by Canada and the participating countries can be satisfactorily worked out at Washington without substantial reduction in present European demands.

50th ANNIVERSARY

HECTOR M. FORBES

Senior Assistant General Manager of the Toronto General Trusts Corporation who was presented with a Stromberg-Carlson radio-phonograph and records by the Directors, Officers and Staff in celebration of his fifty years of association with the Corporation at a party given recently by the Board of Directors in his honour. A native of Nova Scotia, Mr. Forbes joined the Corporation in 1898 in Toronto. He was Manager at Vancouver from 1917 to 1923, and became an Assistant General Manager in 1924. He received many congratulatory telegrams from the Corporation's branches across Canada and from business associates and friends. Members of the Staff and their guests attending the party numbered some 350.

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Bankers Bond Corp. — L. G. Millson, Eastern Ontario representative (Kingston); J. G. Haxton, statistician.

Canadian Shredded Wheat Co.—I. M. Pollock, sales manager.

Canadian Pulp & Paper Association (Woodlands Section) — J. W. Paterson, (Hull) chairman; Gordon Godwin (Montreal) vice-chairman.

Canadian National Railways — J. P. Johnson, vice-president, western region (Winnipeg); W. E. Robinson, vice-president and general manager, Atlantic region (Moncton); J. F. Pringle, vice-president, Toronto; A. J. Lomas, general manager, central region (Toronto); W. H. Kyle, general superintendent, Montreal district; R. Hayes, general superintendent, Northern Ontario district (North Bay).

Canadian Pacific Railway Co.—N. R. Crump, vice-president, with jurisdiction over all lines; Wm. Manson, vice-president, prairie region (Winnipeg); D. S. Thomson, vice-president, eastern region (Toronto); W. G. Keating, supervisor of contracts (Montreal).

Chartered Institute of Secretaries (England) — Hugh B. Savage (Montreal), an associate.

Canadian Line Materials Ltd.—Donald R. E. Barnaby, assistant to president.

Crown Trust Co. — Harold F. Kerrigan, manager, Montreal office; Gordon L. Shemilt, assistant manager, Montreal office.

Drug Trading Co. (Toronto) — Wilfred Isaacson (Toronto), Robert W. Knaggs (Long Branch), directors.

Eastern Steel Products Ltd. — A. B. Davidson, president.

R. C. Smith & Son Ltd. (Toronto) —Jas. A. Bromley, account executive.

Liberty of Canada Ltd. (Toronto) —Roy E. Tait, advertising manager.

Mutual Benefit Health & Accident Association — R. S. Little, sales supervisor, Toronto city agency.

New Brunswick Dairy Products Commission — M. H. Lister, chairman; C. R. DeMille, a member.

Osler & Hammond — Roy V. Bullock, resident manager, Kitchener office; Carl J. Wilhelm, sales manager, Kitchener office; Alex E. Hergott, manager, Galt office.

Oshawa Times, Ltd. — A. R. Alloway, president; Thos. L. Wilson, vice-president and managing director; V. A. Henkelman, treasurer and business manager; D. M. Alloway, secretary; G. M. Goodfellow, director; W. Ford Lindsay, editor; Harry Cowley, plant superintendent.

Packard Motor Car Co. of Canada (Windsor) — Fred C. Williams, a director.

Rubberset Co. — W. H. Taylor, sales promotion manager for Ontario.

RCA Victor Co. (Montreal) — D. R. Machum, assistant to manager of broadcast equipment sales division.

Sun Life Assurance Co. of Canada — Ross Clarkson, a director.

Standard Chemical Co. — Arthur H. Martin, president and managing director.

Transit Advertising Co. — W. B. Tingle, vice-president (Montreal)

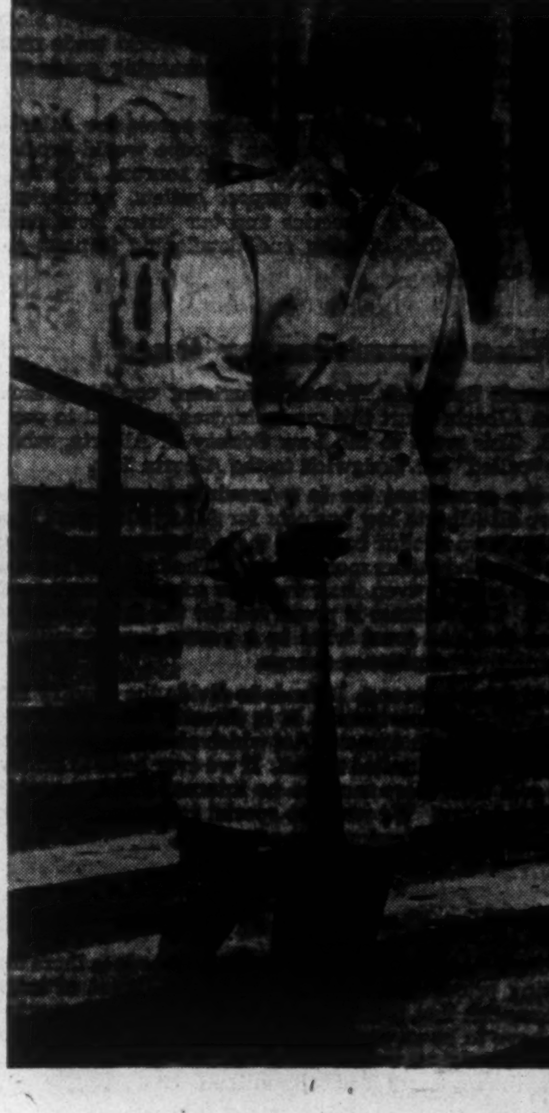
Trans-Canada Air Lines — Mrs. Evelyn Kay, traffic representative (Montreal).

United Kingdom Government — Air Commodore C. W. Busk, Air Force advisor to High Commissioner in Canada.

Whirlpool Rapids Bridge — Earl A. Thomas (Niagara Falls) a director.

Wawanesa Mutual Insurance Co. —Chas. G. Gorrie, a director.

Wills, Bickle & Co. (Toronto) — John E. Kennedy, a general manager.



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BOX 201,
THE FINANCIAL POST

Will Banks Tighten Up Capital Investment Loans?

(Continued from page 1)

duals declined from about $1.1 billion to $800 millions.. "Thus during a period when personal savings were falling about $300 millions, the requirements for funds to finance private investment were rising about $1 billion. Not even all the $800 millions of personal savings was directly available to private investors, since some part of this total was absorbed through sale of Canada Savings Bonds to individuals.

How Savings Were Used

The manner in which these savings were returned to the capital market is described as follows:

During 1947, the Dominion Government was receiving funds from three important sources; (a) from the sale of Canada Savings Bonds; (b) from its current surplus of revenue over expenditure; (c) from advances returned by the FECB as their holdings of foreign exchange declined.

Part of these funds was advanced to the U. K. and other countries under loan arrangements and helped finance our exports to them. The remainder was returned to the capital market by the retirement of outstanding government securities.

Specifically, the sales of Canada Savings Bonds in 1947 were reported at $315 millions and redemptions at $118 millions. Thus the net receipt of funds from this source was just under $200 millions.

Next, the Federal Government's over-all surplus in the calendar year was shown at about $750 millions.

The third important source of funds can be measured in part by the over-all decline in FECB gold and foreign exchange holdings. This decline amounted to $743 millions in 1947. Except for our $74 millions subscription to the International Monetary Fund, the Review reports that "the sale of these holdings would yield a roughly equivalent amount of Canadian dollars."

As already indicated, these funds were used partly to meet Canadian advances to U. K. and other countries and partly to retire outstanding government securities both long and short term. The amount of these advances is put at about $560 millions for 1947.

Gov't Debt Retirement

If securities held in various government accounts are excluded, the net retirement of Dominion Government debt both long and short term in 1947, amounts to about $1,112 millions during 1947. Government securities held by the Bank of Canada and the chartered banks declined by $692 millions and the holdings of all other investors went down about $420 millions. In 1946, the comparable figure on retirement of Federal debt was about $263 millions.

It is this debt retirement which was the procedure by which the Government returned these funds to the capital market. And at this point, because of their substantial holdings of government securities, the chartered banks played an important role.

As already indicated, their holdings of government securities dropped $669 millions while their credit extensions to corporate and other borrowers was of the order of $777 millions.

Unfortunately there are not as yet, at Ottawa, proper figures to trace the use and source of savings. These are in course of preparation now; when available they may be expected to throw considerable light on this whole matter. They will doubtless confirm the very sharp apparent drop in personal savings, and offsetting factors in higher undistributed profits and a large increase in government savings.

If in 1948, the Government uses little of its surplus or "savings" (that is the balance of revenue over expenditures) to finance overseas loans or credits, there would be a proportionate increase in the effect of these savings on the domestic economy. Presumably the way the Government used these savings to retire debt would be important.

Would People Invest?

The other important "unknown" is presently the willingness of people with savings or available funds to use them to purchase securities which would finance a huge capital investment boom in 1948.

During the third quarter of 1947, the market for preferred and equity shares grew decidedly "sticky." The market for corporation bond issues seems presently in good shape but how long this will continue and to what extent a capital investment boom of say $1 to $2 billion could be financed by further bond issues, remains to be seen.

Further action by the Bank of Canada in relation to its quotations on government bonds, may have a bearing on this matter.

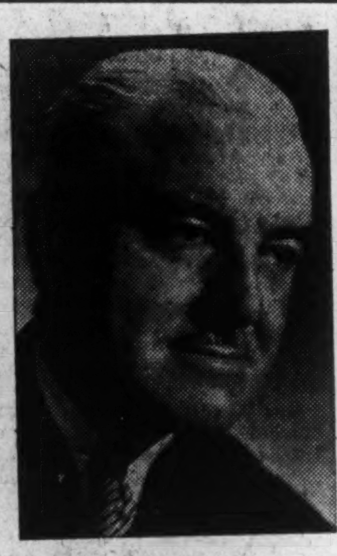
Public Utility Earnings

Brazilian Traction

February:	1947	1946	Incr. %
Gross Earns	$7,545,618	$7,023,826	7.43
Oper. expens. †	5,626,265	5,261,487	6.93
Net earnings	1,919,353	1,762,339	8.91
Two months from Jan. 1, 1948			
Net earnings	$4,121,716	$3,567,242	15.5%

† Including estimated depreciation, amortization, capital and other charges.

All figures are subject to final adjustment when the annual accounts are made up.



CHAS. S. WATSON

has been elected vice-president of Canadian Breweries Ltd.

Industry Slow With Work

Canadian industry isn't expanding at anything like the rate it "intended" when polled by Ottawa in November (The Financial Post, March 27, new capital investment intentions, Dept, of Reconstruction & Supply).

Contract award statistics of MacLean Building Reports — widely accepted by banks and government as one reliable indicator of the pace of industrial expansion—show a mere trickle in the factory category. Where spring usually brings burgeoning volume, March awards for all Canada total a bare $1.6 millions, down 86% from a year ago, down 54% from the month before. And first quarter at $11 millions is down a full 55% from a year ago.

Underlying this weakness, according to construction observers is an almost unprecedented degree of uncertainty in industrial executive thinking. Consensus in the building business appears to be that industrial expansion would continue to take high construction costs in stride but for puzzlement over (a) just how North America's projected "mobilization for European recovery" will affect business; (b) where business is headed in any case; what, in individual industries will be the real and final impact of Canadian import controls to conserve U. S. dollars?

All other classifications of construction showed substantial gain in March, according to MacLean Building Reports (division of Hugh C. MacLean publications).

PRICES

(Continued from page 1)

climbing steadily for more than two weeks was up to 36.09c a lb. by midweek; July futures up to 35.35c. Heavy buying for ERP was anticipated later this week.

Cost of living: For the first time (at March 1) since prices started to spiral following decontrol last fall, the DBS food index (at 185.9) showed a decline (of .2) and the general index, although at an all-time high of 150.8, showed its smallest increase (.7) in seven months.

What sent the general index up more than anything else was a sharp increase in the clothing index. From 165.1 at February 2 it jumped 4.8 points to hit 169.9 at March 1.

There was every indication that consumer prices generally, at that date, might be levelling off. But it remains now to see what will be the effect of last week's freight rate increase, ERP buying, the future of Abbott austerity, all of which must, at least, tend to hold prices up; likelier will result in some new increases.

Carrots, however, were slightly down from last week's high of $4.58 - $4.63 per 50-lb. bag to $4.25-$4.43 — but this was still an impossible price with a retail ceiling of 10c a lb.

Also in the vegetable line —

Onions, 50's were slightly up, from $3.75 - $4.25 last week to $4 - $4.50 at midweek.

Green Onions were up 25% from two weeks ago, midweek were selling at 50c-60c a dozen.

Cucumbers, 24's, which sold at $8.25 two weeks ago were down to $7 - $7.50.

In the fruit line —

California oranges were up — from $4.50 - $7.60 a case last week to $4.90 - $8.25 a case at midweek.

Mexican oranges were being offered at $4.50 - $4.75, couldn't go any higher than California's, grade for grade, under a WPTB ruling putting all oranges imported from countries other than the U. S., under a ceiling determined by California Fruit Exchange quotations.

Apples, Spies, were slightly down in the better grades, from $3 a bushel last week to $2.75 at midweek.

In the grocery line —

Tea prices are likely to be maintained at present levels for some time yet; could go up. New U. K. Government contract prices to India and Ceylon growers are 4c a lb. above last year's and there is talk in Pakistan of that Government imposing a transit tax on teas passing through its territory. Normally the primary tea market weakens at this time of year. This year it continues strong.

Honey: Prices have been sagging for some time now, last week reached a new low. From an original $18 a case to wholesalers and retailers the producers' price by midweek had dropped to $14.50 for a case of 24 2's of no. 1 White as holders sought to unload remaining stocks from last year's heavy crop before the new crop comes along.

Australian raisins now available to wholesale trade at prices 1½c to 2 a lb. below the present California price of 13c to 14c a lb. Sizeable shipments expected by June.

Milk: In Ontario, the Government was vacating the price control field under a new Milk Control Act. Henceforth, competition and producer-distributor bargaining would decide prices but either side could appeal to the Milk Control Board for a ruling in any dispute. In future the Board would be headed up by a judge who would, in effect, also represent the consumer whose interests never before had been adequately watched on the Board.

The Act would also empower producers to set up their own marketing agencies for disposal of surplus milk; establish their own co-operatives for transportation.

Which way prices would go when the Bill was passed no one cared to estimate at this time but two weeks ago producers were reporting offers from the U. S. of "fantastic prices" for their produce.

Wool, which had dropped 10% to 15% on the Liverpool market last month was not headed into any general decline, Morton Savell, managing director of the International Wool Secretariat in North America warned last week. The Liverpool break he attributed to withdrawal of Central European nations from the market and to some buyer resistance but he didn't expect any further declines yet.

Look For It Here

April 10, 1948

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Ottawa On Spot On ERP Share

(Continued from page 1)

just what proportion of this amount might be Canada's responsibility. As well, other calculations enter the picture. (1) There is no way as yet of telling how much of our contribution might be made up by the fact that Canada is now selling wheat and other products to ERP countries for less than prevailing prices. (The U. S. has indicated it will make allowances for this in its calculations.)

2. The ERP administration may decide to allow Canada to "pro rate" its contribution so as to ease the burden in 1948 when Canadian gold and U. S. holdings are low and increase it in later periods.

Present estimates of the amount by which Canada's dollar reserves are likely to increase in 1948 are highly pessimistic. In spite of this, it may be necessary for the government and Parliament to make some gesture or propose some program for a Canadian contribution, in order to avail itself of ERP dollars.

At the moment, there is an "unused" line of credit available to the government without Parliamentary approval in the remaining credits standing in the names of ERP countries. Latest available figures show this total at about $350 millions, and the Canadian Government could permit further purchases against these credits. Any outright "grants-in-aid" would have to be voted by Parliament. Details of the present outstanding credits (to ERP countries only) follow:

Unexpended Portion of Canadian Loans and Export Credits
(Millions of Dollars)

	Total Credit	Amount Used†	Amount Still Avail.†
United Kingdom	1250.0	1008.0	242.0
France	242.5	200.7	41.8
Netherlands	125.0	104.7	20.3
Belgium	100.0	65.1	34.9
Norway	30.0	20.1	9.9
Neth. East Indies	15.0	11.5	3.5
	1762.5	1410.1	352.4

† Figures for U.K. are at March 31. Other figures are at Jan. 31 (latest available).

Used Car Market Upset?

(Continued from page 1)

slow" during winter but picking up fast at the moment. Prices likely to go up sharply when public begins to realize what import restrictions are doing to car supply. People with new cars to sell still asking $200 or more premium.

Winnipeg: Prices holding although signs showing they may go down. One of the largest dealers reports prices about the same but volume of sales down due to drying up of ready money and more new cars. Another dealer reports prices of prewar makes up $100. A 1940 sedan which last year brought $1,000 will fetch $1,150 today. Many dealers report they can no longer pay inflated prices for new cars and resell at a profit.

Regina: Dealers claim break in prices in Eastern Canada and B. C. has flooded Saskatchewan market. Prices down 15%-20%. City demand definitely slackened. Prospect not too bright for repetition of last year's strong rural demand. Money getting tighter. New car supply still tight but dealers eating steadily into backlog of orders.

"Smiling Valley at Carniebaugh" Lamorna Birch, R.A.
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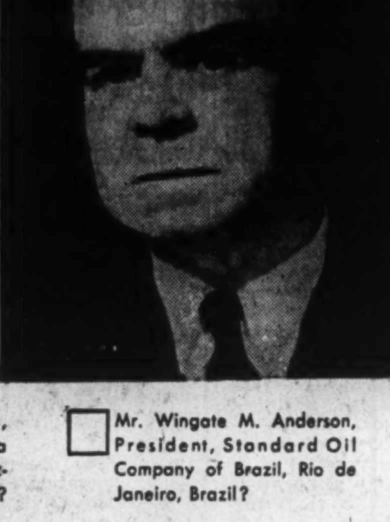
Is this

☐ Mr. F. F. Appleton, Chairman of the Board, William Collins Sons & Co., Canada, Ltd. (book publishers); President, Highland Dairy Limited, Toronto, Ontario, Canada?

☐ Dr. H. T. Asser, Manager, N.V. Nederlandsche Lloyd (insurance company); Member, Jan ter Meulen & Co. and E. S. Orobio de Castro & Zn. (underwriting agents for insurance companies), Amsterdam, The Netherlands?



☐ Mr. H. V. Alexandersson, Managing Director, Svenska Radio AB. (radio manufacturing), Stockholm, Sweden?

☐ Mr. Wingate M. Anderson, President, Standard Oil Company of Brazil, Rio de Janeiro, Brazil?

It is difficult to tag a homeland on an executive of this calibre . ... for today successful men who head up industry and government in many countries look, and talk, and think much alike.

'They have many things in common: higher income, for example—and marked influence... and (like the four men above*) the habit of reading TIME, The Weekly Newsmagazine.

In Canada, for instance, TIME subscribers include more than 20% of the editors of all leading newspapers, 34% of their publishers, more than 30 members of the Dominion Parliament, thousands of business executives comparable to the men listed above—and you can reach them all, any week, for just $660 a page.

TIME International
910 Sun Life Building, Montreal, or 67 Richmond Street West, Toronto
REACHES TOP PEOPLE ALL AROUND THE WORLD

*The one pictured is Appleton

IN KITCHENER The National System HAS MAINTAINED TAX EFFICIENCY FOR TEN YEARS

The smooth, efficient operation of the National System brings praise from Mr. R. V. Alles, Tax Collector of the City of Kitchener. . . . "has undoubtedly increased the efficiency of the Department," says Mr. Alles of the National Accounting Machine. With the National System, irregularities are prevented, errors eliminated and absolute protection assured employees, municipality and taxpayers. The municipality possesses complete mechanical control of every transaction.

Your business problems may vary greatly from those of the Kitchener Tax Department . . . but basically your accounting needs are the same. Use the coupon below to get full information on the application of the National System to your business. Send it *Now.*

February 5, 1948.

The National Cash Register Company,
Home Office,
Toronto, 3, Ontario.

Dear Sirs:-

Our National Cash Register has been in operation for over ten years in our Tax Department, during which time it has given us very satisfactory mechanical service, and has undoubtedly increased the efficiency of the Department, which is primarily the reason for any machine installation.

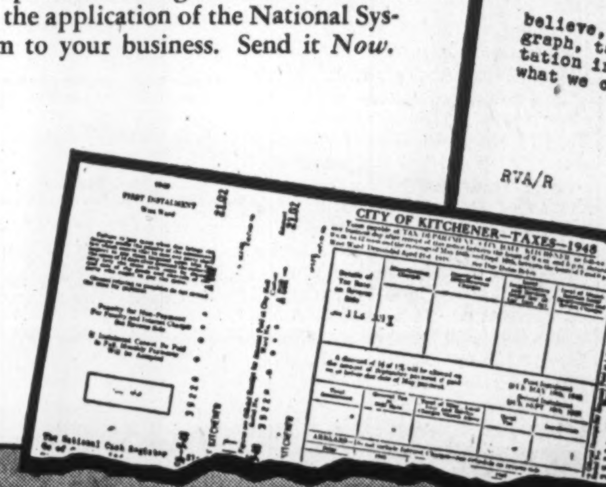
Not only do we furnish the customer with a complete receipt, but we ourselves have an exact duplicate of all payments, together with a listing of all such items. This has enabled us to readily discover errors during the day's work and has greatly assisted us in the handling of our cash, differences in which have been limited to the odd few cents, during the time the machine has been installed. In all respect to our cashiers who are quite expert in this connection, credit must be given to our machine, which provides a correct itemized statement at the end of the day in addition to supplying the two operators with their individual balances.

Kitchener was the first Tax Department in Canada, I believe, to adopt a full machine installation including addressograph, tax billing machines, and cash register, and have no hesitation in saying the latter has played a very important part in what we consider a very complete and efficient set up.

Yours very truly,

Tax Collector

RVA/R



The National Cash Register Company of Canada Limited.
Lansdowne and Dundas, Toronto, Ont.

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THE EDMONTON SCHOOL DISTRICT NUMBER 7 OF THE PROVINCE OF ALBERTA

TENDERS FOR DEBENTURES

SEALED TENDERS marked "TENDERS FOR DEBENTURES" addressed to the Secretary-Treasurer of The Board of Trustees of The Edmonton School District Number 7 of the Province of Alberta, Civic Block, Edmonton, Alberta, will be received at the office of the said Board up to 12 o'clock noon, Mountain Standard Time, on Tuesday, the 11th day of May, 1948, for the purchase of Debentures of The Edmonton School District Number 7 of the Province of Alberta in an aggregate principal amount of $600,000.00.

The said Debentures in the denomination of $1,000 each will be non-callable bearer Serial Debentures payable as to $30,000 principal amount in each of the years 1949 to 1968 inclusive.

The Debentures will be dated 15th May, 1948, and principal payments will mature on 15th May in each year. Interest will be payable semi-annually on the 15th days of May and November in each year.

The said Debentures will bear interest at 3¼% per annum with respect to maturities of the years 1949 to 1958 inclusive, amounting to $300,000; and at 3½% per annum for the balance of the Debentures maturing in the years 1959 to 1968 inclusive, amounting to $300,000.

The Debentures will be payable as to both principal and interest in Canadian funds in the Cities of Edmonton, Toronto or Montreal, at holder's option.

The proposed issue is for capital expenditures to extend the School accommodation under the jurisdiction of the Board.

The District will at its own expense furnish the legal opinion of Messrs. Daly, Thistle, Judson & McTaggart, Solicitors, Toronto, Canada, in connection with this issue.

Tenders will be considered at the office of the Board after the closing hour for bids on TUESDAY, the 11th day of May, 1948, and the Board reserves the right to reject any or all bids, the highest or any bid not necessarily accepted.

Tenderers are required to state the net price to the District for Edmonton payment and Edmonton delivery of the Debentures on May 15th, 1948, to which accrued interest will be added if delivery be made after that date.

DATED at EDMONTON this 1st day of April, 1948.

The Board of Trustees of The Edmonton School District Number 7 of the Province of Alberta.
H. G. TURNER,
Secretary-Treasurer.

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INVESTMENTS THIS WEEK

U. S. Investors Increase Holdings of CPR Common

U. S. investors increased their holdings in Canadian Pacific Railway common again during 1947, while British investors reduced theirs, the annual report reveals. This represents a continuation of a trend noticeable in recent years, although changes in the percentage holdings were smaller than in 1946. Canadian investors increased their holdings slightly last year, following reductions in the two previous years.

U. S. investors owned 39.19% of the 13.4 millions CPR common shares outstanding at Dec. 31, 1947 (37.68% at Dec. 31, 1946). There has been a 71.5% increase in percentage holdings of common by U. S. investors since Dec. 31, 1939 when they owned only 22.86% of the issue.

Further U. S. interest in the stock is becoming more widespread, the figures would indicate. There were 29,265 U. S. holdings at Dec. 31, 1947, up from 28,057 at Dec. 31, 1946 and nearly 1.9 times the 15,621 holdings at Dec. 31, 1939.

Holdings of Canadian investors of 13.58% of the common at Dec. 31, 1947 were up slightly from 12.96% at Dec. 31, 1946 but were below the 18.87% at Dec. 31, 1939.

British investors, with 41.87% of CPR common at Dec. 31, 1947 have also been reducing their holdings. They held 43.18% a year earlier and 51.76% at the end of 1939.

But the British still retain control of CPR as, in addition to 41.87% of the common, they own 96.64% of the 28,203,477 preference issue. The preference shares carry one vote for each £5 par value and so represents slightly over 5.6 million voting units. Combined British holdings of ordinary and preferred represent 59.09% of total voting power (reduced from 64.58% at Dec. 31, 1939).

Following is a table showing changes in percentage holdings in the last year and also since 1939.

C. P. R. Stockholdings (percentage of stock)

	Dec. 31, 1947			Dec. 31, 1946			Dec. 31, 1939		
	Ord.	Pref.	Total	Ord.	Pref.	Total	Ord.	Pref.	Total
Canada	13.58	0.51	9.71	12.96	0.57	9.29	18.87	0.73	13.50
U. K. and other British	41.87	96.64	58.09	43.18	97.22	59.19	51.76	95.05	64.58
U. S.	39.19	0.34	27.68	37.68	0.25	26.59	22.86	0.37	16.20
Other	5.36	2.51	4.52	6.18	1.96	4.93	6.51	3.85	5.72

• • •

Annual Reports

One place where annual reports fall down is in informing shareholders of the basic policy of companies. Points which should be more specifically covered would include policy regarding depreciation charges, the method of valuation of inventories, the policy regarding inventory and bad debt reserves, dividend policy and the percentage of earnings to be paid out in dividends, and policy regarding expansion.

• • •

Moore Corp. has brightened its annual report through use of color, and gives sales figures for the first time. The company recognizes the sales promotion value of its report by picturing products on the outside cover and by including a sample of a current advertisement. Two-year comparative figures of "Financial Highlights" are given, which is a helpful addition for shareholders. The corporation's 1947 sales dollar was derived 89.9% from the United States and 10.1% from Canada and went 39.4% for materials and expenses, 48.2% for payrolls and employee benefits, 1.6% for depreciation, 5.4% for taxes and 3.4% for dividends with 2.0% reinvested in the business.

• • •

Steel Co. of Canada has improved its annual report by giving comparative figures for two years for its consolidated balance sheet and profit and loss account. It has added to the number of charts in this respect, and it lists the principal products, the location of offices, plants, and the coal and ore properties in which the company owns an interest. This is all helpful for shareholders.

• • •

Guaranty Trust Co. of Canada has issued an attractive annual report for 1947 in addition to its customary annual statement. This gives comparative balance sheet and profit and loss figures for the last two years, illustrates the growth since 1942 by bar charts and recognizes its potential promotion value by giving a brief write-up of the services offered by the company.

• • •

Page-Hersey Tubes, Ltd. auditors report: "The profit from the subsidary company has not been included in the attached statement," in the 1947 annual report. That is the only indication in the report that there is a subsidiary, and there is no indication of its name or earning power. Shareholders would appreciate information on this subject.

• • •

Dominion Foundries & Steel Ltd. 1947 sales dollar went 52.8% for raw materials and supplies; 28.44% wages and salaries; 2.72% profit sharing fund; .60% Workmen's Compensation; 5.56% power, gas, water, advertising; 3.06% taxes; 2.31% depreciation, plant and equipment; and 2.23% dividends to shareholders with 2.28% retained in the business. This is shown in Dofasco Illustrated News.

• • •

Consolidated Paper Corp. in a smart-looking annual report gives detailed explanations of the company's operations in 1947. For example, the company reports that to meet increased requirements of pulpwood on a sustained yield basis, it was found necessary to open another area. Sustained yield means the limiting of the pulpwood cut each year to natural re-growth of the forest. Woodlands operation are now being carried out in 16 widely separated districts including Anticosti Island. From this it can be inferred that the company will require a considerable amount of working capital to carry on its woods operations. As the report states: "Rising prices and greater business volume have created higher working capital requirements. Where additional new capital is not provided, it must come from earnings left in the business." In other words, the tremendous demand for paper products will not be met unless the company spends some money on both woods operations and machinery replacements.

• • •

Say Good Response Expected Dom. Textile, Mtl. Cot. Offer

A favorable reception to the offer made by Dominion Textile Co. to holders of 144,374 common shares of Montreal Cotton to exchange their shares for common shares of Dominion Textile on a one-for-one basis, is reported. The Financial Post understands that a very high percentage of Montreal Cottons shares have been or will be exchanged. It is expected the company will make a definite announcement on the results soon. The offer is valid until April 30.

Orange Crush Working To Better Sales Trend

Every effort is being made to bring about an encouraging trend of sales and earnings for Orange Crush, Ltd., J. W. Horsey, chairman and president, stated at the annual meeting last week.

Reconstruction of the organization will be continued, Mr. Horsey stated. Operations are being geared to take full advantage of the sales and merchandising possibilities for the wide range of soft drinks produced by the company, he added.

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QUOTATIONS SUBMITTED ON APPLICATION
For Any Size Weave Weight Bag or Hessian Cloth
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Well established, specializing in material handling equipment with facilities to do machine shop precision work. Opportunity for firm in similar line of business to incorporate these assets into present lines. Price $10,000. Industrial Department Guardian Trust Co. 618 St. James, Montreal. PL. 8251.

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Available for responsible position where experience gained in thirteen years public auditing and seven years in industrial and retail organizations will be of value. Age 37. Energetic, hard-working. Executive calibre. Fully experienced in corporation taxes, costs and systems.
BOX 195,
The Financial Post, Toronto

FRED C. WILLIAMS

general manager of Packard Motor Car Co. of Canada, has been elected a director of the firm.

Abitibi's Profit Is Maintained In 1st Quarter

Directors of Abitibi Power & Paper Co. are doing their best to get the company into a condition which will safely permit payment of dividends on the common stock, President D. W. Ambridge told shareholders at the annual meeting. "The Board is fully aware of the importance of doing so, and the question is having the closest attention."

J. Ernest Guite of Perce, Quebec, a common shareholder, asked that the utmost be done to pay common stock dividends, stating that many had held Abitibi common for 10 or 20 years without dividends.

Mr. Ambridge replied: "If you were on the Board you would find it a lot easier to declare them than to refrain from doing so. It is not that we don't want to, but that we don't think it is in the interests of shareholders. In our judgment the time has not come, if we are to retain a liquid position. It is not two years since the company came out of receivership, and the Board is not ashamed of what it has accomplished."

Operating profits for the first quarter have been maintained due to increases in the prices of products and to continued increased production, Mr. Ambridge told shareholders. He emphasized, however, that production costs continue to increase, and pointed to the recent award of a 21% increase in freight rates.

"Directors are especially concerned with the need for adequate working capital in an operation such as ours, in which very large sums are unavoidably tied up in inventories, particularly pulpwood inventories," he stated.

The rehabilitation program is proceeding on schedule, with most of the work expected to be finished by mid-1949.

TORONTO IRON WORKS, LTD., enjoyed a record volume of business in 1947, and earnings were substantially higher than those of the previous year, president T. H. Rahilly states.

The company's steel allocations are presently sufficient to ensure operations at normal capacity.

Candn. Brake Shoe Changes Hands

Unitcast Corp., Toledo, with Canadian associates announces organization of a subsidiary, Canadian Unitcast-Steel, and purchase by that subsidiary of the steel casting foundry and business of Canadian Brake Shoe & Foundry, Sherbrooke, Que. Canadian Unitcast began operating the Sherbrooke plant last week; plans to increase output after a modernization program.

Primary purpose is to make Unitcast's "Wine" railway equipment, demand for which has increased because of the postwar expansion in railway car building here. The new company also will produce steel castings for other uses in Canada.

Unitcast of Toledo through majority stock interest will control Canadian Unitcast. The remaining stock is owned by Canadian associates (including the Holden Co., Montreal) who for years have been Canadian distributors of Wine railway appliances.

Directors and officers of Canadian Unitcast-Steel are:

Arthur D. Neale, Montreal, board chairman and director; Joseph L. Tillman, Toledo, president and director; Lambert J. Tillman, Toledo, vice-president and director; Victor E. Zang, Toledo, vice-president; John Bedbrooke, Montreal, secretary-treasurer and director; Joseph V. Britt, Toledo, controller, assistant treasurer and director; Ralph F. Tillman, Toledo, R. K. Martin, Toronto, Harry W. Morgan, Toledo, directors.

R. L. Crain Stock Sold

An additional issue of 30,000 no par value common shares of R. L. Crain Ltd., Ottawa, was offered at $7.50 a share by W. C. Pitfield & Co. Some $172,500 will be applied toward reduction of bank loans, $30,000 toward reduction of other loans.

Capitalization will consist of 100,000 authorized, 90,000 outstanding, no par value common shares. Through beneficial ownership of voting securities, Rolla L. Crain, president and general manager, and Harold F. Crain, vice-president and factory manager are in a position to elect a majority of the directors, the prospectus states.

Chatco Steel Products Declares Initial Divd.

An initial interim dividend of 25c a share has been declared on the common shares of Chatco Steel Products Ltd., payable May 1, 1948, to holders of record March 20, 1948. This reflects the satisfactory merging of that company and its wholly owned subsidiary, Canadian Top & Body Corp., it is stated.

H. S. Shannon, president, pointed out that Canada's austerity program had necessitated some changes in long-term planning requiring extensive tooling and rearrangement of equipment. Mr. Shannon, however, expressed optimism with respect to accelerated production and business activity, resulting from a greater degree of Canadian manufacturing of durable goods, but cautioned that subsequent dividend payments would be regulated with due regard to the company's earnings and working capital requirements.

TSE Short Position Down

The semimonthly short selling report of the Toronto Stock Exchange as of March 31 shows the aggregate short positions, eliminating odd lots, on the books of member firms at 311,917 shares of 133 issues, compared with 389,762 shares of 132 issues on March 15.

Largest changes of short positions in individual mining stocks were: Diversified 5,500 shares, down 20,100; Eldona 20,900, down 13,500; Louvicourt 3,200, down 9,500; British Dominion 1,000, down 7,500; Callinan 3,500, down 7,500; Negus 14,000, down 7,300; Quebec Labrador 6,200, down 6,300; East Sullivan 13,100, down 6,200; Giant Yellowknife 11,000 up 6,200; Eureka 10,200, up 6,000; and Silver-Miller 6,500, down 5,500.

Principal changes in industrial stocks were CPR 1,000 shares, down 1,590; Winnipeg Electric 1,250, down 1,375 and Massey-Harris 200, down 1,300. The short interest in United Steel was eliminated.

Stock:	Shares	Stock:	Shares
Abitibi	100	Int. Uranium	1,000
Algoma Steel	125	Joburke	2,000
Amal. Larder	500	Kenville	2,000
Anglo Cdn.	700	Kerr Addison	1,000
Argus Corp.	1,175	Kirk. G. Gate	1,000
Armistice	3,000	Kirkland L.	300
Astoria	500	Labrador	9,000
Aunor	100	Laguerre	5,000
Bear Explor.	1,000	Lamaque	100
Base Metals	3,000	Laura Secord	225
Bevcourt	1,500	Leitch	300
Brand & M. A	600	Lingman Lake	500
B. C. Forest	600	Little Long Lac	700
Br. Dom. Oil	1,000	Loblaw B	50
Buffadison	28,000	Louvicourt	3,200
Buff. Anker.	1,100	Lunward	1,000
Calgary & E.	1,700	Macassa	2,000
Callinan	3,500	MacDonald	7,900
Calmont	1,000	MacLeod	700
Campbell R L	700	Madsen R. L.	1,100
Can. Cement	250	Magnet Cons.	6,000
Can. St'mships	300	Malartic G. F.	1,200
Cdn. Brewer.	2,797	Marcus	1,000
Cdn. I. Alc. A	400	Massey-Harris	200
CPR	1,000	McMarmac	1,000
Cariboo	100	Mining Corp.	250
Cent. Pat.	300	M. & O. Paper	750
Central Porc.	500	Mylamaque	3,000
Chesterville	3,500	Negus	14,000
Cochenour	3,500	Normetal	100
Coniaurum	1,000	O'Brien	1,300
Cons. Smelt.	125	Ogama Rockl.	500
Conwest	2,000	Okalta	2,900
Dickenson	1,000	O'Leary	800
Discovery	2,500	Osisko	10,000
Dist. Seagram	100	Osulake	5,000
Diversified	5,500	P. Oil (old)	1,000
Dome Mines	100	Paymaster	1,500
Dom. Coal pf.	125	Pen-Rey	500
Dom. Fdry.	500	Piccadilly	2,000
Dom. Stl. B	1,200	Pickle Crow	1,100
Donalda	16,600	Preston E. D.	1,500
Dulama	4,500	Quebec L.	6,200
E. Malartic	1,800	Quemont	900
E. Sullivan	13,100	Rupununi	12,300
Eldona	20,900	St. Law. Corp	200
Eureka	10,200	San Antonio	900
F. Players	200	Sand River	1,500
F. Farmer	225	Sherrit G.	5,700
Fleet Mfg.	1,300	Silanco	500
Ford Motor A	100	S. Miller	6,500
Frobisher	200	Simpsons A	25
G. Yel.'knife	11,000	Simpsons B	100
God's Lake	1,500	S. Sturgeon	500
G. Manitou	700	Steep Rock	6,500
Goodyear T.	10	Sullivan C.	700
G. Lakes P.	250	Surf Inlet	1,500
Hasaga	1,000	United F. B	100
Heva	1,000	Ventures	300
Hollinger	500	Waite Amulet	200
Home Oil	1,500	Walker G & W	250
Hudson Bay	100	Wekusko	1,000
Imperial Oil	100	Westons	35
Indian Lake	2,000	Wiltsey C.	2,000
Int. Nickel	325	Wingait	1,000
Int. Paper	350	Winnipeg E.	1,250
Int. Petroleum	925	Total	311,917

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SIDNEY ROOFING & PAPER CO. 1947 net profit was up sharply at $253,050. ($167,360 in 1946.) Sales reached a new peak and net profits continued at a satisfactory level, the annual report states. These results have been achieved despite rising costs of materials, labor and supplies, together with considerable extra operating costs attendant upon bringing into production of new plant and equipment.

Demand for company products continued at a high level and sales were expanded to include several new nationally-established products. The new roofing division went into production during the last quarter of the year. While savings in operating costs and improvement in quality are already being experienced, no increase in total production is possible until the new paper machine is installed and operating. The plant and machinery for the manufacture of Fibrerock is operating at 50% of final planned capacity. Completion of this plant by March 1948 will allow production at full capacity. Export to the Western U. S. is planned for early 1948.

A new stock preparation plant is nearing completion, which will result in greatly improved quality and operating economies, it is stated. Good progress is being made on the building to house the new paper machines. Sales of the subsidiary, National Paper Box Ltd., exceeded all previous levels and profits were satisfactory. During 1947 this plant was completely remodelled and new equipment added.

At a meeting of class "A" shareholders held Feb. 11, the shareholders approved an increase in company's bond issue from $500,000 to $850,000. The additional capital resulting from sale of these bonds will be invested in the capital expenditure program.

Demand for company products continues at a high level. A continuation of rising costs may require further revision in product price levels soon. Shortages of raw materials are expected to continue for some time, but company officials voice confidence that full production can be maintained.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	‡1946
Net earnings	$478,986	$412,341
Less: Deprec.	56,970	37,546
Interest	6,545	......
Pension fund	17,307	......
Stk. trans. exp.	5,264	......
Income taxes▲	139,850	207,435
Net profit*	253,050	167,360
Less: Cl. A divds.	41,250	......
Surplus for year	211,800	......
▲Incl. ref. EPT	......	7,271

‡Year ended Sept. 30, incl. subsids. accts. for yrs. ended Dec. 31.

*Note: Co's. report includes ref. EPT in net profit.

Earnings per Share and Dividend Record:

Class A	$5.06	$3.35
Paid	†0.82½	......
Class B§	2.08	1.22

None paid.

†Including provision of 15c. per sh. accrued from Nov. 1.

§After full year cl. A divd.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$89,258	$110,537
Accts. rec.	449,639	274,407
Life ins., c.s.v.	53,249	47,662
Inventories	318,189	222,152
Total curr. assets	910,335	654,758
Misc. assets▲	110,455	147,370
Fixed assets*	1,387,015	652,517
Total assets	2,407,805	1,454,645
Bank loan	25,000	......
Other curr. liabs.	501,347	297,999
Total curr. liabs.	526,347	297,999
Reserves	18,125	16,114
Funded debt	500,000	......
Capital stock	150,000	10,000
Capital surplus	117,306	249,891
Earned surplus▲	1,096,027	880,641
*After depr. of	650,195	604,249
▲Incl. ref. EPT	58,598	59,519
Working capital	383,988	356,759

Classified ADVERTISEMENTS

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

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WITH SOUND experience in all phases of accounting, personnel work, financial control and management. Is at present employed but would prefer position in Ontario. Age 38. Apply Box 188, The Financial Post, Toronto.

OCCASIONAL STATISTICAL WORK which can be done in her own time, wanted by young woman with full-time position. University graduate B. Com. Experience in statistical research, investment analysis, etc. Box 193, The Financial Post, Toronto 2.

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LATIN-AMERICA REPRESENTATION

CANADIAN, 37 YEARS OF AGE, single. Twelve years in Latin-America. Experience includes employment with large British trading concern and responsible position with British Security Co-Ordination. Fluent Spanish. Desires contact manufacturers. Immediate interview Toronto. Box 159, The Financial Post, Toronto 2, Ont.

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AVAILABLE ON ACCOUNT imports restrictions. Wishes represent established manufacturer serving large industries. British trained. Sound engineering background. Excellent sales record. Own car. Phone W. Fairholme, Adelaide 2860, Toronto, Ont., or write Box 182, The Financial Post, Toronto 2.

CAPITAL REQUIRED

$25,000.00 ADDITIONAL CAPITAL needed for new industry in Kitchener. Excellent opportunity for investment. Required by June 1st. Write Box No. 197, The Financial Post, Toronto 2.

POSITIONS WANTED

TREASURER COMPTROLLER

UNIVERSITY GRADUATE with 10 years heavy industrial experience in both Eastern and Western Canada desires position with firm requiring services of senior accounting executive. Complete knowledge of all forms of Accounting, Business Administration, Income Tax and Personnel. Salary range $5,000-$6,000. Excellent references on request. Location no object but opportunity for advancement after proving ability a pre-requisite. Apply Box 204, The Financial Post, TORONTO.

APARTMENTS WANTED

APARTMENT WANTED

RETIRED EXECUTIVE and wife require unfurnished 2 bedroom apartment or duplex. Toronto, quiet district. Garage. Rent up to $85 per month. Reliable and careful tenants. Occupancy first two weeks in May. Box 180, The Financial Post, Toronto.

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WANTED ! ! ! Manufacturing concerns, large stores, hotels, small industries, etc., in Niagara District. FRANCIS P. SORRENTINO. Broker, 137 E. Main St., Welland, Ont.

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CENTRE business section—Sarnia 1,000 and 1,100 square feet—ground floor—either or both—2,100 square feet—all or part—second floor—outside entrance. Box 205, The Financial Post, Toronto.

FOR SALE

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British Columbia Electric Company Limited 3¾% First Mortgage Bonds, Series "C", due April 1, 1968	99.00	3.82%
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1.75	Apr 15/47	Mar 15-xd 13
1.75	July 15/47	June 16-xd 13
1.75	Oct 15/47	Sep 15-xd 12
Paid: 1946—$7.00; 1945—$7.00		
Common (np) Rate $5 p.a. (Q)		
1.25	Jan 2/47	Dec 5-xd 4
1.25	Apr 1/47	Mar 5-xd 4
1.25	July 2/47	Jun 5-xd 4
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MR. R. L. DALES

The Bank of Nova Scotia announces the appointment of Mr. Robert L. Dales as Supervisor in charge of Branches in Western Canada with headquarters in Winnipeg. *

MANAGED INVESTMENT

Bldg. Prod., C.I.L. Added To Compton's Portfolio

More National Steel Car and Canadian Canners common stock have been bought for the Compton investment account. First share acquisitions have also been made in Building Products and Canadian Industries Ltd. common stock. A profit of $106.40 was realized on sale of 140 York Knitting Mills "B" shares.

The Compton Fund Transactions

PURCHASE

No. of shares	Security	Cost price per share	Amount
5	Nat. Steel Car, c.	$19½	$98.75
5	" "	18½	93.75
5	Bldg. Products, c.	29¼	147.75
5	Candn. Canners, c.	18	91.25
5	" "	17¼	87.50
5	Candn. Indust. c.	19½	98.75
			$617.75

SALES

140	York Knitting, B	4	546.00

Compton's Manager Says:

From the sale of his York Knitting Mills Ltd. "B" common stock, Compton realized a net profit in cash of $106.40, or 24.2% on the book cost of these securities in his account.

The sale of these shares was prompted by one consideration only—which, if Compton's account were larger, might well be disregarded. In his case, we follow still the principle that the whole of his investment assets, other than a cash balance never exceeding $100, should consist of income-producing securities.

York Knitting Mills "B" common stock as yet pays no dividend. Therefore, following the switch Compton's expected annual income has been increased by $40: reaching a new high of $747.58.

As has been pointed out more than once in these reports, present and future purchases, at prices scaled downward, of the common stocks of National Steel Car, Building Products, Canadian Canners and Canadian Industries Ltd., are part of a new program aimed at acquiring a number of income-yielding Canadian equities, with good growth possibilities over a period of time.

As between Dec. 15, 1944, when Mr. Compton's account was taken over and Apr. 3, 1948, the following is the broad change in the position.

	Dec. 15,/44 Principal Sum	Apr. 3,/48 Principal Sum
Bonds	....	$2,569.17
Pref. stocks	$925.00	4,767.50
Common stocks	6,661.25	4,562.85
Mining stocks	1,750.00	1,413.50
Cash	663.75	6.18
	$10,000.00	$13,319.20

Hinde & Dauch Demand Holds At High Level

Volume of production of Hinde & Dauch Paper Co. is keeping pace with that of similar period in 1947, regardless of the fact that the Toronto and Trenton operations have both been somewhat affected since Feb. 16 by Hydro power shortage, a dividend letter to shareholders states.

There are indications of some softening in demand from certain customers, but over-all demand during first quarter held up to just about capacity levels, it is said. Prices of all grades of pulp were again increased very substantially during the period. These continually rising costs develop many new and complicated problems.

Progress with the building of the new box factory at Chatham is going according to schedule. The new transformer and switchboard room being built at Toronto is now just about completed.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

SAINT JOHN DRY DOCK CO. net profit for eight months from organization to Dec. 31, 1947, not including $27,707 surplus from operations on behalf of predecessor company amounted to $224,265 ($390,123 for predecessor company, St. John Dry Dock & Shipbuilding Co. for 1946).

Business consisted of ship repairs and conversions, structural steel work and dredging. It is difficult to forecast conditions during the current year, it is stated, but directors anticipate a falling off in volume of ship repair work. The structural steel department should operate at increased capacity during the year, President C. N. Wilson states.

The company has obtained a contract from the Dominion Government to rebuild McLeod-Pettingill Wharf at Saint John, amounting to about $2.7 millions. This work will extend over 18 months and, in addition to being of substantial assistance to the structural steel department, will provide revenue for companys' ship repair department.

INCOME ACCOUNT

Years Ended Dec. 31:	§1947	■1946
Net earnings	$465,477	$800,624
Add: Recov. pr. yrs. wages, etc.	......	24,883
Less: Depr.	45,317	76,113
Income tax	195,895	359,271
Net profit	§224,265	390,123
Less: Pref. divds.	9,000	11,162
Surplus for year	215,265	378,961

§8 months, from organization to Dec. 31, 1947, not including $27,707 surplus from operations on behalf of predecessor co. for four months ended April 30, 1947.

■Accounts of predecessor company, St. John Dry Dock & Shipbuilding Co., Ltd.

Earnings per Share* and Dividend Record:		
4% preferred	$56.07	$97.53
Paid	2.25	....
5% preferred	8.61	14.88
None paid.		
Common	33.95	54.92
None paid.		
Pref. (old): Paid	....	5.00

*Based on present capitalization, allowing for half-year divds. on pref. in 1947.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	■1946
Cash	$4,521	$494,382
Accts. rec. & dep.	795,194	402,372
Stores & supp.	275,275	155,621
Work in process†	688,167	167,464
Total curr. assets	1,763,157	1,219,839
Deferred chgs.▲	13,854	126,005
Invests.	61,266	60,266
Fixed assets*	2,568,252	3,516,989
Total assets	4,406,529	4,923,099
Bank loans	565,000	62,000
Accts., tax., etc., pay.	273,731	334,344
Total curr. liabs.	838,731	396,344
Capital stock	3,125,000	7,500
Paid in surplus	225,000	......
Capital surplus	......	3,963,708
Earned surplus▲	217,798	555,547
*After depr. of	468,071	1,611,662
†Less rec. on acct.	1,255,279	905,440
▲Incl. ref. EPT	......	109,142
Working capital	924,426	823,495

■Accounts of predecessor company, St. John Dry Dock & Shipbuilding Co., Ltd.

STEEL CO. of CANADA 1947 net profits were more than double the previous year, when operations were affected by a strike at company's plants. Better profits of subsidiaries contributed to the higher earnings. Profit per ton of ingots rolled, although above the low of 1946, was approximately only 50% of the average for the three years immediately preceding the war, President H. G. Hilton states.

Despite difficulties in securing adequate deliveries of scrap, coal, coke, iron ore and fuel of suitable quality, ingot production was maintained at 98.6% of rated capacity. This was more than double 1937 and less than 2% below the wartime peak of 1944.

While 1947 expenditure on capital account amounted to nearly $13 million, it is estimated that a further expenditure of some $13,450,000 will be required for the completion of all improvements authorized up to end of last year. During 1948 it is planned to modernize existing blast furnace blowing equipment, and to make provision for blowing an additional blast furnace. In the 10-year period 1938-1947, inclusive, gross plant value was doubled by the expenditure of $46,060,000 in new plant and improvements. Thanks to this growth, new products have been added to broaden the company's coverage of the Canadian steel market, the report states.

Mills and auxiliary equipment for production of cold-reduced, light-gauge sheets and tin plate; electrolytic tinning machinery; a new boiler house; and a new office building were still under construction at end of 1947. During the year, a new battery of 61 by-products coke ovens came into operation, and considerable progress was made in the replacement of obsolete by-products equipment, and on other construction projects.

While production costs of primary steel products increased during the year, and further increases in wage and other costs in 1948 are considered inevitable, the price of steel has remained relatively low, the report states. Average hourly earnings of payroll employees at end of year was at a level approximately 70% above such earnings at end of 1939. By the end of 1947, the cost of living index had risen 42.9% in the same eight-year period, it is said. Further increases in wage and other costs in 1948 are considered inevitable.

The company increased its holdings in both iron ore and coal properties. In mid-year an interest was acquired in two new ore-mining companies; one of which has substantial proven reserves of iron ore, and the other mineral rights in areas which are said to appear promising. In partnership with U. S. iron and steel interests, Stelco also participated in the purchase of operating mines and coal lands in MacDowell County, West Virginia.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net profits‡	$5,567,708	$2,450,178
Less: Pref. divd.	779,556	779,556
Ord. divd.	1,380,000	1,380,000
Surplus for year	3,408,152	290,622

‡Incl. net income and prof. on sale of secs. and after all charges including:

Deprec.	3,573,528	1,860,624
Bond int.	373,159	......
Fed. & prov. tax.	4,881,214	1,425,011
Empl. pens. fund	800,000	300,000
Earnings per Share and Dividend Record:		
Earned*	$7.73	$3.40
Paid: Pref.†	3.00	3.00
Ord.†	3.00	3.00

*On combined preference and ordinary shares, allowing for participation.

†$1.75 regular and $1.25 partic.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$18,659,113	$11,141,986
Guar. call lns., etc.	1,500,000	......
Accts. rec.	12,854,774	7,399,069
Inventories	14,835,878	11,525,374
Total curr. assets.	47,849,765	30,066,429
Invest. & advances.	5,231,914	2,744,875
Misc. assets▲	1,872,738	1,815,853
Fixed assets†	41,022,655	30,990,510
Total assets	95,977,072	65,617,667
Accts., tax., etc., pay.	11,405,718	6,895,482
Divds. pay.	539,889	539,889
Note pay.	500,000	......
Total curr. liab.	12,445,607	7,435,371
Funded debt	22,065,500	......
Reserves	6,687,632	6,582,346
Capital stock	17,996,300	17,996,300
Surplus▲	36,782,033	33,603,650
†After depr. of	51,803,767	48,856,511
▲Incl. ref. EPT	944,323	913,539
Working capital	35,404,158	22,631,058

HENDERSHOT PAPER PRODUCTS 1947 net profit was $46,192 (compared with $36.920 for the previous nine-month period). Limited supplies of raw materials continued to prevent the company from reaching its maximum production, although sales were well maintained and showed a moderate increase of 8% in dollar value over the preceding year.

Working capital was reduced by $17,303, due in part to purchase and cancellation of $15,000 par value preferred shares, and to expenditure of $39,136 for new machinery and equipment. These improvements were an important factor in partly offsetting the marked advance in operating costs due to price increases in raw materials. Prospects for current year appear quite favorable both as to market for company's products and the availability of supplies.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$104,761	$105,920
Less: Deprec.	18,012	11,168
Prov. for taxes	40,557	48,760
Net profit prior to incorp.	......	9,072
Net profit	46,192	▲36,920
Less: Pref. divds.	12,812	5,354
Com. divds.	16,500	......
Surplus	16,880	31,566

▲9 months profit, after incorp.

Earnings per Share and Dividend Record:		
5% pref.	$18.48	$13.93
Paid	5.00	2.50
Common	1.11	■1.05
Paid	0.55	....

■After allowing half-year divds. on pref.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bonds	$13,888	$75,062
Accts. rec.	84,338	78,428
Inventories	107,841	52,797
Total curr. assets	206,067	206,287
Prep. exp., etc.†	3,253	8,728
Life ins., c.s.v.	2,850	......
Fixed assets	196,240	157,103
Patents, etc.	45,000	45,000
Total assets	453,410	417,118
Total curr. liabs.	91,242	79,634
Deprec. res.	31,122	11,168
Capital stock	280,000	295,000
Earned surplus	51,046	31,316
†Included in curr. assets in co's. report.		
Working capital	114,825	126,653

CONSOLIDATED PAPER CORP. 1947 net profit was approximately double that of 1946. Tonnage of all pulp and paper products shipped was approximately 13% more than the previous year. Sales of all pulp and paper products and of lumber and miscellaneous increased 39% at $68,544,563. The profit reflects the saving in interest — $1,017,722— through bond refunding at the end of 1946, and a profit of $231,323 realized from sale of investment securities.

To meet increased requirements of pulpwood on a substantial yield basis, that is, limiting the quantity of pulpwood cut each year to the natural re-growth of the forest, it was found necessary to open another area. Woodlands operations are now being carried out in 16 widely separated districts including the Island of Anticosti. In addition, there was purchased a large quantity of pulpwood to conserve the forest resources.

During the year $4,166,715 was spent on a program of replacement and modernization of manufacturing facilities. Certain machines at the Laurentide Division are being converted to manufacture higher grades of papers and a better quality of sulphite pulp. The machines are expected to go into operation early in 1948. Improvement of the kraft pulp mill at the Wayagamack Division is now in final stages of completion, and when finished this mill will be one of the most modern of its kind, the report states. Improved efficiency, lower costs and better quality can be expected.

Increased production of newsprint required additional groundwood pulp, which was obtained through improvements to existing grinder units at the Port Alfred Division and replacements of obsolete grinders at the Wayagamack Division. These changes greatly increased production of pulp and paper products.

At end of year, approved but uncompleted appropriations for capital expenditures for replacements and improvements of manufacturing facilities amounted to $2,980,510.

Cost of pulpwood increased due to a number of contributing causes, chief among which were adverse weather, scarcity of labor, and higher wages. Other material and supplies continued to rise in cost. Mill wage rates also increased substantially. Rail freight rates in the U. S. advanced 24% during the year.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$24,951,345	$17,468,332
Less: Deprec.	4,109,750	4,719,588
Bond int.	1,211,048	2,228,770
Income taxes	9,650,000	5,800,000
Res. for invent.	500,000	......
Add: Sec. prof.	231,324	139,190
Net profit	9,711,871	4,859,164
Less: Divds.	3,847,396	3,845,946
Surplus for year	5,864,475	1,013,218
Times Bond Interest Earned:		
Before deprec.	20.79	7.90
After deprec.	17.40	5.78
Earnings per Share and Dividend Record:		
Common: Earned	$3.79	$1.90
Paid	1.50	*1.50

*Of which 50c paid Mar. 1, 1946, applicable to 1945 earnings.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bonds	$5,491,169	$6,924,868
Invest. secs.†	559,317	740,387
Other inv., bk. val.	34,607	39,116
Accts. & bills rec.	7,525,006	5,785,548
Inventories	30,509,511	22,501,370
Total curr. assets	44,119,610	35,991,289
Misc. assets	651,337	803,041
Secs. acq. for s. f.	3,522,574	......
Fixed assets*	38,640,022	38,630,595
Total assets	86,933,543	75,424,925
Accts. & tax. pay.	13,165,918	8,704,439
Accr. bond int.	612,500	......
Divds. pay.	2,605,345	2,581,847
Total curr. liab.	16,383,763	11,286,286
Property res.	16,027,904	16,001,253
Conting., etc., res.	2,346,418	1,838,638
Bond interest	18,291	27,763
Funded debt	35,000,000	35,000,000
Capital stock	5,128,234	5,118,763
Surplus	12,028,933	6,152,222
*After depr. of	49,650,913	46,212,808
†Market value	1,191,030	1,805,904
Working capital	27,735,847	24,705,003

PORCUPINE PENINSULAR GOLD MINES has advised that Anglo-Huronian will not exercise its option to purchase 84,095 shares at 25 cents per share, due April 1, and agreement has been terminated for default. Operations at the property are now being confined to underground diamond drilling which will take approximately two months to complete. Sufficient funds are available to finish the drilling job.

PULP AND PAPER

Forest Industries Set New Job Peak in 1947

A new high in Canada's forests during 1947 was reported by W. A. E. Pepler, manager of the Woodlands Section of the Canadian Pulp and Paper Association, at the annual meeting of the Woodlands Section last week. For the full year, approximately 192,000 persons were employed, and the greatest number of woods workers on the job at any one time was 80,664. In 1946 the maximum number engaged in pulpwood cutting was 74,000. This year Mr. Pepler thought that woods employment would revert to the prewar pattern when the men moved into the woods at an earlier date in the autumn. For the spring drive this year, he estimated that 25,000 would be at work.

A significant figure given by Mr. Pepler was the average length of employment of woods workers. Last year it was about 1.9 months. This would indicate that pulpwood cutting is still far from being a year-round job and that pulp and paper companies must still count on the off season labor, i.e. the farmer, fisherman, etc., who only goes into the woods when other work is not available. As pulp and paper men have pointed out, this condition makes it impossible to create a stable working force for pulpwood operations.

Some think that mechanization in the woods will make pulpwood production a year-round job and make for better, more stable labor. Some progress in mechanization was reported at the Woodlands Section meeting last week. J. L. Kelly of Price Bros. stated that snowmobiles have proved to be an essential part of mechanized equipment. These are replacing the horse in transporting supplies, hauling out pulpwood, rendering quick medical aid. The snowmobile will haul twice the load of a horse, five and one half times as fast regardless of weather conditions. It will be an important factor in reducing costs.

A. A. St. Aubin, former manager of the Logging Mechanization of the Canadian Pulp and Paper Association said that a new lightweight saw developed in collaboration with Hornet Industries Ltd. offered a more effective and cheaper method of harvesting pulpwood. He also reported on the work being done to develop a new machine for bark removal. Part of the trend toward mechanization involves portable camp accommodation, C. R. Silversides of the Pulp and Paper Research Institute stated that while cost of moving portable camps may run as high as one-third of the cost of new camps, the economies effected are considerable. Working conditions in pulpwood camps have also been improved by artificial refrigeration, central depot butchershops, mechanical kitchen equipment.

• • •

Industry Studies Forest Preservation

From a long-term viewpoint, probably the most important discussions at last week's Woodlands Section meetings were those dealing with the pulp and paper industry's work on forest protection and perpetuation. E. L. Howie of Fraser Cos. had several suggestions for better fire control, including: (1) Every employee in the woods be made "fire conscious"; (2) fire towers connected by telephone be spaced not more than 15 miles apart on woods limits (3) a sufficient mileage of roads be built to provide access to all parts of the limits; (4) all woods foremen get specialized training in fire prevention and fighting; (5) more publicity on fire control.

D. E. Nickerson of the Dominion Forest Service reported on the co-operative silviculture project undertaken by the federal and provincial governments and Fraser Cos. He said that work on the 400 sq. miles in northwestern New Brunswick, known as the Green River project, now a healthy, productive self-perpetuating forest, had contributed much to direct silviculture investigation and in the shaping of operating policy. It had also assisted in the laying of a sound foundation of facts for long-term management plans.

A. Koroleff, director of the Woodlands Research for the Pulp and Paper Research Institute said that the Institute is contemplating substantial extension of its forest research work to include forest regeneration, logging techniques and elimination of wood waste.

• • •

Alaska Newsprint Said Still Remote

Prospects of an early development of Alaska timber resources to ease the U. S. newsprint shortage do not appear bright. In the report of the Newsprint and Paper Shortages Subcommittee of the Special Committee to Study Problems of American Small Business prepared after a field investigation, several difficulties standing in the way of the Alaskan development were noted. It is noteworthy also, that no bids were made on Feb. 18 this year, the auction date set for the Petersburg tract in the Tongass National Forest. U. S. reports state that the only company qualified to make a bid notified the Forest Service it was not ready to submit it. offer. Following are some of the committee's findings with respect to Alaska timber resources:

Shipping — Further development of Alaskan pulp is contingent upon improved transportation facilities.

Housing—A careful survey of the housing problems must be made.

Power—The study of power resources should be completed. Power stations in some cases are located at appreciable distances from the plant sites . . . careful attention to this problem (power) may prevent serious upsets in development plans.

Labor — Careful consideration should be given to plans for labor recruitment. The cost of living is high . . . recruitment of labor may present some problem.

The committee reports that there is no guarantee that the development of the Alaska woodpulp industry will increase the total United States output of newsprint. Contracts to be awarded will not specify the type of end product which must be manufactured. However, the Committee stated that it felt that some government agency should be given the authority to require a particular end product. It was recommended that small and medium sized newspapers who lack newsprint should consider a cooperative enterprise.

Informed sources say that no commercial amounts of pulp can be produced in Alaska until at least the spring of 1951.

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CCF Would Grab Our Farms

With their only substantial success scored in agricultural Saskatchewan, the CCF have been notably silent on one major plank in their platform for socialism — nationalization of farm lands. That sort of thing, they know would hardly appeal to the men who till their own land in Saskatchewan and who incidentally, cast the deciding vote in any election in that province.

Party strategy, presumably, directs that the farm nationalization plank be kept well wrapped in moth balls until perhaps the CCF wins some urban ground. Then, in keeping with the well-established CCF policy of stirring up one class against another, it could be dangled in front of city voters who would be told that taking over the farms would mean cheaper food.

But sometimes in the heat of debate a CCF spokesman, forgets the official time table and lets the cat out of the bag. That appears to have happened in Parliament the other day. The Printed Word dug up this disclosure:

MR. E. L. BOWERMAN, CCF member for Prince Albert: "We are driven to this conclusion — the only thing that will solve our present social and economic problems is absolute Christian socialization of the means of production and distribution of all the necessities of life.

Mr. GRAYDON: "Does that include farmers?"

Mr. BOWERMAN: "That would include everybody."

Canadian farmers everywhere would do well to note that direct threat. When CCF orators start talking of the State taking over they don't just mean the banks and the insurance companies and some of the big urban industries, they mean all forms of production, of which the farms are the greatest and most important.

Gobble, Gobble, Gobble

Pity the poor Lithuanians in Canada.

Threatened by the Soviet Embassy to register as Russian citizens, they had the following paragraph tossed at them last week by Canada's new and growing Department of External Affairs:

"The Canadian Government regards the registration of Lithuanian nationals in accordance with the decree of the praesidium of the Supreme Soviet of the USSR as announced by the Soviet Embassy in the Slavic-language press in Canada to be entirely a voluntary matter and recognizes no obligation on the part of any resident of Canada to register."

Now a college graduate with a long and expert knowledge of the English language might be excused if he failed to understand that sort of thing. Certainly he would have to read the statement more than once. To the newly arrived Lithuanian, who will still have some trouble in grasping the simplest English, the statement might just as well have been written in Chinese.

If the Department of External Affairs means that the Lithuanians in Canada don't have to register as Russian citizens, why doesn't it say so in the plainest English. And incidentally the same sort of English might be used in all its other public statements, too.

In these fast-moving days there is no place for the wordy, ambiguous diplomatic "gobbledygook" of a century ago. Time and the stakes involved are both too precious.

Our Debt to Foreigners

"It seems to us that the feeling of most Canadians is that so far as settlers from foreign countries are concerned, the most of them are more of a liability than they are an asset to this country."

Strange as it will seem to many readers, that amazing statement comes from the Waterloo Chronicle, which is published in the centre of one of the most German of Canadian communities. Moreover this community is generally conceded to be among the very best in Canada. Culturally, agriculturally and industrially there are no finer areas in the whole country. And this development is almost entirely the work of "foreigners" and their industrious descendants.

Canada would be richer today if we had far more communities like that around Kitchener and Waterloo, with their diversified and thriving industries, their clean streets, their good schools and their highly prosperous farms. We can have far more of these communities in the future if we open our doors to immigration now.

There is an opportunity today, to get the very best type of people from Western Europe and the British Isles, people who will make the same valuable contribution to Canada and Canadian life as the immigrants who flocked into the country around Waterloo in the last century.

If we don't get our share of these people now, other sparsely settled countries like Australia, Argentina, or South Africa will get them all and our open spaces will remain a temptation to other powers to exploit.

Setback for Law and Order

The cause of law and order received a setback in Toronto last week. A finding of its police commission severely widens the gulf separating police and citizenry, and will long be remembered by every citizen whose sense of public duty impels him to co-operate with the community's law enforcement agency.

A graduate student at the University of Toronto recently wrote Toronto's Mayor reporting that a prisoner, being unloaded at a police station, was given a beating. Another witness called it "an extremely brutal beating."

In a police commission investigation, seven policemen gave evidence directly contrary in all significant particulars to that of the four citizen witnesses. The Police Commission in its finding rejected the testimony of the citizens, accepted that of the police and ruled that the violent action of the constable was "justified."

Whatever the rights or wrongs of this particular case, tens of thousands of citizens throughout Canada will remember this case every time they have any idea about contacting police with regard to public wrongs or dangers.

The four responsible citizens who reported the beating not only gave themselves a lot of inconvenience, and incurred a lot of publicity which they obviously did not enjoy, but the Commission ruling, by implication, says that the four citizens were all wrong, the police completely right.

Another serious aspect of the Toronto case is that the Police Commission apparently approves the violent methods used in this case. Much was made in the hearing of the amount of provocation the prisoner gave; of the effect on the temper of the policeman trying to handle him.

But surely a policeman's feelings are irrelevant. He is hired to do a job; he is paid not to get mad. Surely he should be trained to keep his head and his temper when others lose theirs.

Public co-operation is essential to effective police work. Where the main body of citizens is eagerly co-operative with police, the community is obviously going to be very different to that in which the mass of the public assiduously stays away from the police.

A busy businessman not long ago saw an automobile ram a parked car, doing perhaps $100 damage. The driver of the ramming car stepped on the gas and fled. The businessman pursued him, finally picked up a policeman and an arrest was made. Says the man who caught the hit-and-runner: "I'll certainly think twice before I get into one of these affairs again. The police were just about as disagreeable as if I'd been the hit-and-run driver. They put me to a great deal of inconvenience and the whole business certainly gives me no encouragement to do the right thing another time."

Thousands of people who have witnessed accidents and who could make an important contribution to a fair result of the trial have had similar experience and reactions.

This eagerness for "keeping away from" the police is a characteristic of people enslaved by Russ or Nazi police forces, but its growth is dangerous in metropolitan centres of Canada.

The effect of the current Toronto decision will inevitably be serious, both on police and on citizens. The matter should not be allowed to drop here.

Wars Are Not Settled in Days

"Washington authorities do not expect war," reports Whaley-Eaton, "but, if war does come, the popular assumption that it will be over within a few days hardly holds water."

One would think that after two world wars within a quarter of a century the popular assumption would be sharply otherwise. But for centuries many hopeful people have gone on believing that every war they entered was going to be short; something of an exciting summer holiday, with all expenses paid. So far as major wars are concerned, never have these optimists been right.

One sharp summer's campaign was to have ended the American Civil War with the South victorious. Actually there were four summer campaigns, as well as bloody fighting in the other seasons, and the South was overwhelmed.

The Boer War started off as a punitive expedition in 1899. It dragged on three years.

Older Canadians will remember 1914 and the prediction that the fighting would be over before the first of our volunteers would get to the front. They needn't have hurried on that account, there was still plenty of fighting more than four years later.

In September, 1939, Hitler planned to overrun all Europe in a matter of days. He came very close, but 5½ years later they were just finishing up the shooting war he started and there are still no signs of peace.

Surely after all this evidence we should realize once and for all that war is a long, expensive and terribly bloody business.

Why They Leave Britain

On page 15 of this issue, an energetic young Briton tells why he has migrated to Canada.

His reason: Britain, says he, is intolerable for middle class, white collar workers. "Since the end of the war our modest family property has been squeezed out of us as surely as toothpaste is squirted daily from the tube. We were caught in the growth of an order in which for us there is no room . . . The socialist experiment has proved that this system has no flexibility and runs down as surely as a clockwork engine."

Almost every newcomer from Britain we have met echoes similar reasons for his decision to undergo the drastic uprooting of transfer to a new continent.

Britain's problems, admittedly, are extremely grave. Any government would, under the circumstances, weigh heavily on its citizens. But our immigrant friends almost all say that under Socialism they see no prospect there but bleak hopelessness.

"If printing could be done on black paper that would not be too gloomy for the latest economic survey by the Government," says an editorial in The Recorder, the British weekly of business and public affairs. "The summary of the Government's statement is that there is no hope for us. There is the result of two-and-a-half years of the Glorious Experiment. Socialism has brought us to poverty . . .

"Not only does this fatuous and criminal living on a theory weaken us — the System of Socialism, inevitably failing, becomes the vehicle in which Communism rides to power and tyranny. Socialism is the Trojan Horse . . .

"The technique has been as obvious as the three-card trick. The Socialists have allowed the Communists to filtrate into their party and into their trade unions . . .

"There are three main kinds of Socialists: (1) Secret Communists (2) fellow travellers (3) idealists and fools, fools because Socialism does not work, as we know, to our present cost, and yet they persist in pursuing it . . .

"Socialism in Britain is weakening us economically so much that it puts the nation in such a position that it cannot fight Communism . . . The similarity between the Socialists and the Communists makes it impossible for the Socialists to fight the Communists with any authority or hope of success."

The many Conservative victories in London municipal elections the past week end make it very clear that a great many Britons are getting fed up with pursuing the Socialist dream.

Canadians can learn a lot from the British experience. And now that Canadian Communists are as a body moving into the CCF fold, Canadians will be well advised to be more than ever wary of the Coldwell-ites.

Napier Moore's ScratchPad

AT BREAKFAST, the daughter of a friend of ours casually informed the family that a fellow student had "sold his body to the university for $50." She had been told that anyone can get $50 for signing a paper which makes one's body available, after death, to the medical school for dissection; that if at any time the signer decides it would be nicer to be turfed intact, the whole thing can be called off by repayment of the money.

Of course there isn't the slightest truth in the story. It seems to pop up about once a decade. It makes professors tear out their hair.

Dr. Watt, of U of T's Anatomy Department, tells us that people continue to appear, offering their bodies for sale. They are informed that they have no legal right to sell their bodies; nor has the university a legal right to buy them. Such traffic is expressly forbidden by the Provincial Anatomy Act. Virtually all provinces, and all countries, have similar acts.

A person can, in his will, donate his body for anatomical purposes. But the main source of supply is unclaimed bodies. All unclaimed bodies are reported to the chief inspector under the Act, an undertaker. He allocates them to various medical schools. When a cadaver leaves the school it goes direct to a special cemetery plot where it is decently buried with religious rites. The various undertaking services are paid for by the provincial government through funds contributed to the universities and earmarked for that purpose.

• • •

LATELY WE HAVE HEARD an increasing number of businessmen complain about their inability to get sleep in certain big-city hotels. They are kept awake half the night by noisy drinking parties in adjoining rooms. Next day they are so fatigued that they can't concentrate on the business they have travelled some distance to do. Some complain to the management, and house detectives do their best to quieten things down. Others find it upsetting to make a fuss; just lie in bed and writhe. Conventions seem to provide most of the exuberant owls who make nuisances of themselves.

Obviously the problem is a headache to hotel managers. But it seems to us that the comfort of the guest who wants to rest at midnight is just as important as that of the guest who, paying no more for the next room, wants to use it as a night club. Incidentally, if he and his pals made as much din in a night club as they do in the hotel bedroom, they would probably be asked to leave.

• • •

TRUTH OF THIS STORY is vouched for by the London Recorder. Walking along Downing Street at 6.25 in the morning, a man was challenged by a policeman who wanted to know what business brought him there at that hour.

"I have an appointment at 6.30," said the stranger.

The policeman, with restrained sarcasm, said, "Have you really?"

"Yes," said the man, "it's with Sir Stafford Cripps."

And it was even so.

• • •

WE DON'T know of any Ottawa parliamentarians who get up at 5 a.m., as does Sir Stafford. Nor are we in any position to suggest they should. As a taxpayer, though, we do have an interest in the time they take to do things, especially when it costs us money. For example, there is the enquiry into prices. Already it has lasted six weeks. Estimates of the cost vary from $3,000 to $5,000 a week. Nobody knows how much longer it will continue. It took three weeks to deal with bread, two weeks for butter, one week for fruit. At this rate, with meats, textiles and other things still to be explored, the investigation may go on for another six weeks. The 1934 price spread enquiry lasted about three months; cost the public $414,672.66. Roughly half that amount was spent on the enquiry, half on the resulting Royal Commission. Fees of the commission counsel alone totalled $32,776. With very little persuasion we might be moved to call for a taxpayers' investigation of the price of price enquiries.

• • •

TO SPEED UP the business of ticket selling, the CPR will soon experiment with a machine in Montreal's Windsor Station. The device is operated by a ticket clerk. The tickets are in a rack. If a passenger wants a single fare, the operator pushes a green button for the destination; a red one for return fares, a blue one for week-end specials, and so on. A wheel spins and from a slot out pops the ticket. Simultaneously, on a cash register tape, the price is recorded. The advantage of the machine is that it does its own accounting as it goes along, saving some 70 minutes of the time it takes a ticket clerk to balance accounts at the end of his shift. Only coach passengers will be directed to the machine operator. Sleeping-car passengers will line up as before. But the separated queues will move faster.

Also we understand that as no inventor has devised a method of getting people in and out of upper berths gracefully, new sleeping cars won't have any upper berths.

Stop Me If—

Judge (in traffic court)—"I'll let you off with a fine this time, but another day I'll send you to jail."

Driver—"Sort of a weather forecast, eh, Judge?"

Judge—"What do you mean?"

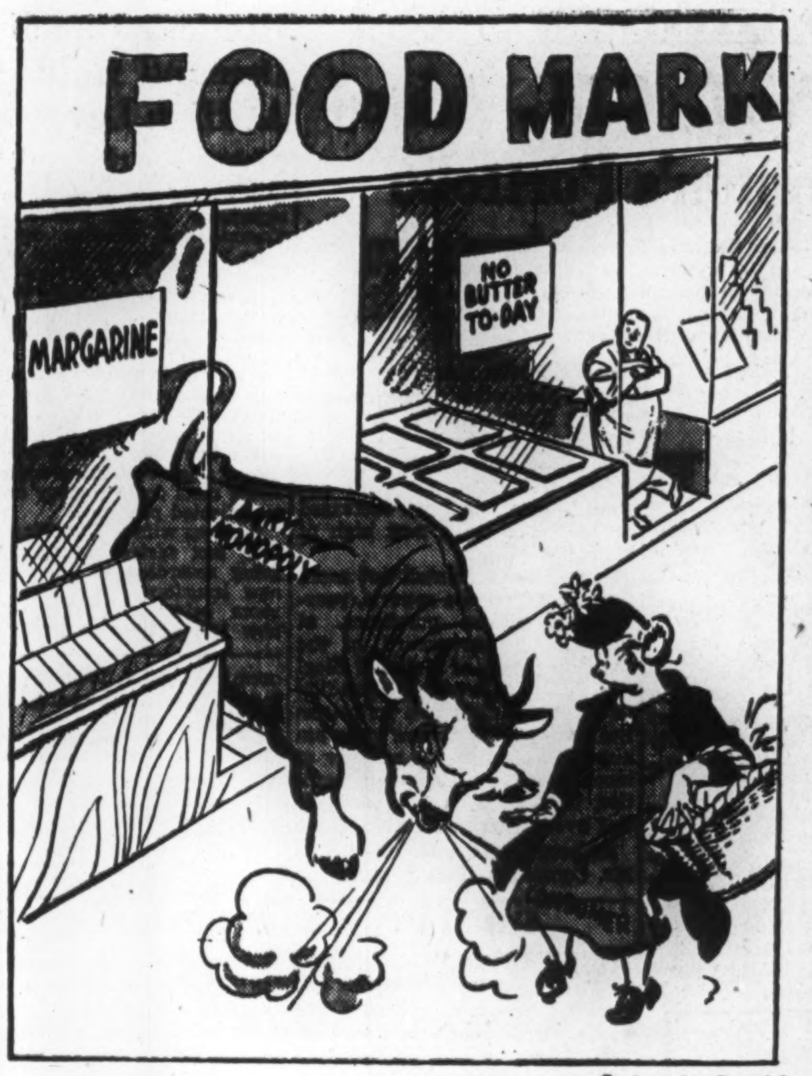
Driver—"Fine today—cooler tomorrow."

• • •

Irate Caller: "You spoiled my article by a misprint."

Editor: "I'm sorry. What did we get wrong?"

Caller: "A proverb I employed. You printed it 'A word to the wife is sufficient'."



—Cartoon by Grassick.

Post Scripts

Lumber Boss

New president of the decontrol-crusading Canadian Lumbermen's Association is Charles Edwin ("Ted") Smith, 47, Wisconsin-born of Irish-American stock and who was naturalized in Canada 18 years ago.

MR. SMITH

He is managing director of J. J. McFadden Lumber Co., Mississagi River Improvement Co. and Sheppard-Dunn Lumber, with sawmills at Blind River and Sultan, Ont. These companies are now subsidiary to Huron Forest Products Ltd., headed by Hugh Mackay, of Rothesay, N.B. J. J. McFadden Lumber for years has been one of Canada's largest manufacturers of red and white pine lumber and lath.

Ted Smith has had an unusually thorough training in the lumbering game, gaining early insight into the industry's operations by association and work with his father, the late Charles W. Smith who spent a lifetime in all branches from yardhand to manager, including mill design, building and operation. Then there was a spell at logging under the late Peter A. Cameron, followed by 30 years with James J. McFadden during which Smith became successively office boy, camp clerk, tally man, secretary, general manager and then managing director of the three related firms.

Actively engaged for the past 12 years in both the Canadian Lumbermen's Association and its White Pine Bureau, Smith was chairman of that bureau in 1939-40, chairman of the grading committee for five years and of the price committee during the war. He was a member of the planing committee for reorganizing the Canadian Lumbermen's Association in 1941 and has been a director continuously since.

A director of the Lumbermen's Safety Association, the new CLA president is member of Ontario Forest Industries Association and of Ontario Club, Toronto. Married at Eganville, Ont., 20 years ago, C. E. and Helen Mary (Quinn) Smith have five children, Betty 18 at University of Western Ontario, Norene 15, Daniel Q. 14, Paul J. 11 and John Q. 5, at home.

• • •

Heads Newfoundland BOT

Energetic, young Lewis Ayre, one of Newfoundland's top businessmen, has recently been elected President of the Island's Board of Trade; that job in these days of Newfoundland's political upheaval is by no means an easy one.

All through the wartime days of allocations, shortages and price controls, Ayre was a director of the wholesale provisions group and the feed pool of the BOT. These two bodies handled all importations of foodstuffs and animal feeds into this country, and in his capacity as a director, Ayre made three trips to Canada at the request of the Newfoundland Government to lend a hand in the negotiations with Canadian trade officials to secure satisfactory allocations of vital foodstuffs. The fact that Newfoundland always had an ample supply of goods which were rationed even in Canada testifies to the efficient way in which the negotiations were carried out.

MR. AYRE

Associated with the Board of Trade ever since entering business, Ayre was first elected to the council, then to the vice-Presidency, and now to his present position.

Born in 1914 and educated in England, he joined the family firm of Ayre & Sons, Ltd., in 1931. He became a director a few years later. The firm itself was founded in 1859 and since that time has survived a fire which wiped out the city of St. John's, and two equally disastrous bank crashes. It is one of the oldest firms in the country and Lewis Ayre is the fourth generation director.

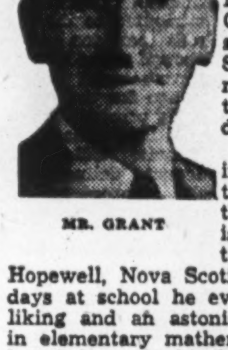
He is also director of the Northlantic Fisheries, a firm catching and processing fresh frozen fish for the U. S. market, and Northlantic Sealers, Ltd. a subsidiary of the fish firm. He is on the board of G. R. Parsons, Ltd., and the St. John's Housing Corporation, a slum clearing scheme financed partly by government and municipal funds. He is a governor of the Newfoundland Game Fish Association and a past president of the exclusive St. John's City Club.

The Board of Trade and other business interests take up much of Ayre's time and he, therefore, has no particular hobby, but in winter when he does manage to get some spare time he can usually be found at the curling rink. In summer during vacation and on weekends he will be found on the bank of one of Newfoundland's many fine salmon rivers.

• • •

Insurance President

A youthful flair for mathematics determined the career of Milton Daniel Grant whose business life has been exclusively in the field of insurance.



MR. GRANT

At the recent annual meeting in Winnipeg, Mr. Grant was elected president of the Sovereign Life Assurance Co. of Canada, succeeding W. Sanford Evans, now chairman of the board of directors.

Although having been more than 30 years in the West, Grant is a native Maritimer. Born at Hopewell, Nova Scotia, in his early days at school he evidenced both a liking and an astonishing efficiency in elementary mathematics. He followed it up in his high-school days at New Glasgow and in Pictou Academy after which he rounded off his education with a special course at Harvard University.

Grant's first job, which he took in 1900, was as actuary and examiner in the office of the Dominion superintendent of insurance at Ottawa. He left the department in 1912 to accept employment in a similar capacity with the Capital Life Insurance Co. at Ottawa, later amalgamated with the Confederation Life Association.

Sovereign Life was originally organized and located in Toronto. Its head office was moved to Winnipeg in 1911. In 1916 it made an offer to Grant to come West. He accepted a position as actuary of the company and in the course of years was promoted to the positions of assistant manager, managing director and now president.

Grant starts his term as head of the company with better than seventy-nine and a half million of insurance in force, a figure 120% greater than the insurance in force 10 years ago.

Grant, a tall, reserved man of quiet temperament, has taken a leading part in the business and community life of Winnipeg. He was president of the Board of Trade in 1945-46. He is a Fellow of the Institute of Actuaries, London, England, and of the Actuarial Society of America. He is the author of a number of papers on Actuarial Science.

What Others Are Saying

Editorial of the Week

Can't Let Railways Deteriorate

(Montreal Star)

The railways needed more money and they have got it.

Everything that is moved from one part of the country to another will of course now cost more. But nobody should object to paying the cost of moving goods. Somebody has to pay it.

If those who get the service do not pay the cost, somebody else will, and that somebody is likely to be the taxpayer. The shippers can also take what comfort they can from the fact that they have been getting service cheap for a long time.

As citizens of Canada, they should recognize that it is a vital interest of the state that its transportation system should be kept in first class repair. Twice in 30 years, when war-time strains have been imposed, we have been saved by our railways. They are a part, and a vital part, of Canada's defences. To let them deteriorate would be a supreme act of folly.

Other People's Views

RAILWAYS WERE BUILT in Canada in the first place explains the **Halifax Herald** "to provide services believed by government to be so important that they either gave large subsidies or rebuilt the lines themselves. Now they are expected to show profits, and in order to attain this end, rates are raised. As rates are increased, the lines lose their original function; the interchange of goods is lessened; the isolated community is made more isolated; the railways, by reason of high rates, no longer link, they divide, communities and provinces."

PRACTICALLY DEFENSELESS is Canada at the present time, asserts the **Family Herald and Weekly Star**, which warns: "We all hate and fear and wish to avoid war. The best way to avoid it is by contributing our own not insignificant quota to the preparedness of the democracies. And if we cannot avoid it, let us remember that its impact on this land of Canada will be direct, heavy and immediate. We will have no more warning than did "Pearl Harbor" and this time "Pearl Harbor" may be Vancouver, Winnipeg, Toronto, Ottawa, Montreal or Halifax—or all of them."

FREIGHT RATE INCREASE was inevitable declares the **Windsor Star**. "Operating costs have gone up sharply since 1922, especially since 1938. The railways were only able to pull through because of the huge volume of wartime business. Now that business is falling off. If Canadians expect a high standard of service. The railways must keep improving their equipment. People expect them to do so. The necessary money must be provided in freight or other railway rates.

VOICE OF THE FARMER is still a powerful one in Canada, says the **Swift Current Sun** in commenting on the decision to drop certain questions on farmers' income tax returns. "The average farmer was horrified at what he considered such governmental rudeness, and now the net worth statement is not required. Had it happened to the supine white collar man in Canada — there would have been no recantation. The righteous anger of the Canadian farmer has been appeased. No Ottawa snooper is going to ask him how much dough he has in his pocket."

FOR THE FIRST TIME since the struggle of the west for justice in freight rates began, ground has been lost says the **Winnipeg Free Press**. "A rate of $1 in the east will now become $1.21. The comparable rate of $1.15 in the west will now become $1.39. The 15% discrimination becomes 18%. And this deals only with standard of maximum rates. In the west, where there is no water, rail or road competition the railways, as in the past, will charge the full amounts authorized by the Transport Board. In the east, on the plea of competition, the railways generally have not charged the standard or maximum rates. Therefore, the discrimination in these maximum rates does not begin to tell the full story. The spread between the rates actually charged in the east and in the west is much greater as the evidence submitted to the commission in the present case proved."

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CONSTRUCTION TRENDS — By CLIVE CHATTOE

New Labor-Management Approach Seen Biggest Hope in Building Costs

It isn't easy to see right now which side stands to gain from Greater New York's recent 30-month wage freeze in building. It might be the contractor — employer. It might be the worker.

The date carries well into 1950 —still nearly two years away If, despite rearmament and European aid there is general business recession and a consequent sharp drop in 1949 building demand, the contractor and new building buyer might be the goats.

Thus, the New York agreement seems to spell confidence on the part of construction management, doubt on the part of construction labor that business and employment will continue at a level comparable with that of 1947. On the other hand, neither party may have committed so much; both may have secured in the contract a "way out in emergency."

(Union officials representing 29 of the 32 construction unions and 185,000 of 205,000 building workers in Greater New York on March 15 signed an agreement: (a) stabilizing wage rates established last Jan. until June 30, 1950; and (b) pledging to apply "all practical shortcuts" in equipment and method to raise individual output. Abstaining were bricklayers, plasterers, plumbers. But contractors predicted they, too would join the parade.)

• • •

Two Key Trades Say Yes Winnipeg 'Freeze' Near?

Nearest thing in Canada to New York's building freeze is Winnipeg's.

There, the carpenters' and bricklayers' unions a year ago made an agreement for a two-year period, carpenters at $1.25 an hour ($1.10 outside a 30-mile radius), and bricklayers at $1.45 ($1.30 outside 30 miles), both for a 44-hour week. The agreement contained a clause for negotiation a year later on the question of a shortened (40-hour) work week and this was granted by employers Jan. 1948 at 1947 wages.

Winnipeg, like most other cities counts these two trades as key groups in building; sees the wage freeze for carpenters and bricklayers as significant of an overall trend to stabilization of construction costs by labor-management agreement. But the fact remains that other building trades in Winnipeg—plasterers, sheet metalworkers, plumbers, electricians and the rest — are demanding substantial wage hikes this spring, with argument based on the cost of living.

Building contractor-employers "don't quite see" the argument that 1948 living cost calls for wages higher than in 1947. They point out that construction was left out of the cost-of-living bonus arrangement adopted generally in wartime at the instance of official Ottawa, but that increases granted in the building trades through collective bargaining equalled or bettered compulsory rates, in some trades over the wartime period were nearly double the gains won by industrial workers generally.

With all of this the Manitoba Fair Wage Board seems to agree. It has recommended to the provincial labor relations dept. that the 1948 schedule of building wages be the same as in 1947. And on strength of this recommendation, Manitoba Labor Minister C. Rhodes Smith has called a public hearing for April 9 at which contractors and building trade workers will be asked to agree to continuance of 1947 wages.

• • •

But Plasterers' Strike Gives Toronto Pause

In Toronto, long-important test centre for building wage negotiators, the traditional May 1 deadline nears without anything very conclusive accomplished. Toronto is important, too, to building buyers — there are about 10,000 men in construction trades in the area and they've been saying they want 25c to 50c an hour more to keep on building.

But employer-contractors in the Toronto Builders' Exchange, plastering, electrical, tile and terrazzo associations almost uniformly have decided to oppose major wage increases this spring — to oppose the unions "tooth and nail" and that means strike or no strike.

In painting and plumbing — though not in plastering — the newly moderate mood of labor may be seen. Last month, Toronto union painters and glaziers — men who got 75c an hour in 1939 and $1.15 in 1947 — came out for $1.75 in 1948, up 60c or 53%. However, indications this week strongly suggest settlement at a dime or maybe 15c, not more. And without a fight.

Last Christmas, union plumbers and steamfitters—who had earned $1 an hour in 1939 and $1.48 in 1947 — accepted a 1948 contract at $1.60, up 12c or 8%. This rate, now in effect, is binding until 1949.

The plaster and lath workers aren't "giving in" so readily. Nearly 200 plasterers, members of the AFL Plasterers' & Cement Finishers' Union have been on strike since April 1. Demand here is for a 20% or 30c an hour wage hike to $1.80. So far, most of the employing companies — members of the Toronto Contracting Plasterers' association — have shown little weakening, though a few have met the union demand to avoid the strike.

More of such fights — possibly more strikes — may be dead ahead on the Toronto building trades front. The bricklayers want $1.90 as against $1.60 last year, $1 in 1939. Carpenters demand $1.65 against $1.35 in 1947 and 90c prewar. Cement finishers are asking $1.60 against $1.20 in 1947 and 70c in 1939. And sheet metal workers set $1.96 as their present goal against $1.46 last year, 93c prewar.

But the more than 50 general contractors and many trade contractors in Toronto Builders' Exchange say they're prepared to face a strike threat, a topic they shied at a year ago. Now the word has been spread to labor ranks: "Give us firm commitment for more production and prune down those wage demands drastically into the bargain."

The Exchange, retaining Economist Gilbert E. Jackson for statistical data and findings on which to base 1948 management policy on wages, now says flatly its general and trade contractor members won't go beyond a 65% increase over 1939 wages. For some trades (examples bricklayers, cement finishers) this stand if upheld means a wage hike of only 3% or less. For others (including electricians, hoisting engineers), maybe 10 to 15%. But for all, it's "harder" talk than was heard a year ago.

• • •

Ready-cut Plumbing To Be Offered Farms

National Association of Master Plumbers & Heating Contractors, President R. L. Grannan, Saint John, has adopted in principle and is working out details of a revolutionary plan to help farmers in isolated areas install plumbing and heating without a plumber.

Expected is a workable scheme to make available standardized ready-cut materials which can be assembled by the farmer himself. The plan as so far devised is for new homes only, not home improvements, with parts to fit 15 or more types of building. Start will be made on the Prairies and posibly B. C. but no date has been set for first availability of the promised materials.

• • •

Construction Costs: Have They Levelled?

What's ahead in real estate? Will mortgage restrictions smother activity? Are prices of older houses declining everywhere? Have construction costs leveled off?

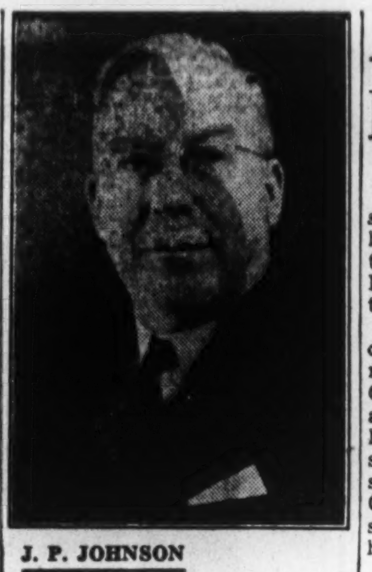
These are among questions to be answered by U. S. and Canadian property appraisal experts to be assembled in Toronto this Friday by the Great Lakes section, Society of Residential Appraisers. Toronto Chapter president A. Curry of Sun Life Assurance expects 500 American members will attend for discussion of economic and market trends, sound lending and valuation practice.

BUSINESS THIS WEEK

	MAR.	FEB.	JAN.	DEC.	Year Ago
GOVERNMENT FINANCE (millions of $)					
Dominion total revenue	....	....	344.3	333.7	256.6
Dom. total expend.	....	....	149.2	160.4	171.3
MERCHANDISING					
Dept. store sales index no. (1)	....	195.1	192.3	297.8	189.3
Retail sales index (no.)	....	....	213.1	228.6	181.3
Wholesale sales index (no.)	....	....	245.5	251.3	237.7
FINANCE					
Dividend payment index (5)	194.5	193.4	192.9	183.1	186.6
Bank debits	....	....	246.8	230.7	236.3
Money supply (millions $)	....	....	7,479	7,660	7,346
NEWSPRINT CAPACITY					
Production ratio	....	....	98.6	100.8	101.1
Shipment ratio	....	....	92.1	101.1	94.1
RAILWAY FREIGHT LOADINGS					
Tons (D.B.S.)	....	186.3	210.1	190.1	177.0
Cars (D.B.S.)	....	159.6	172.3	169.2	159.8
COST OF LIVING					
aD.B.S.	150.8	150.1	148.3	146.0	128.9
EMPLOYMENT INDEX					
All industries	....	189.7	193.7	199.6	189.7
Manufacturing	....	....	200.1	205.1	190.6
Payrolls (June 1/41=100) (2)	....	....	178.2	193.2	150.3

	1947-48	1946-47	1947-48 Jan. 1 to date	1946-47 Jan. 1 to date	% Change
RAILWAYS—(000's omitted)					
aCarloadings (week Mar. 27)	68.8	70.2	928.0	885.0	+4.9
C.N.R. gross rev. (Feb.)	34,017	31,066	68,019	63,926	+7.9
C.N.R. net rev. (Feb.)	—732	570	—1,292	1,401	—192.2
C.P.R. gross rev. (Jan.)	24,926	23,359	24,926	23,359	+6.7
C.P.R. net rev. (Jan.)	103	187	103	187	—44.9
IRON AND STEEL (000's omitted) (Jan.)					
Pig iron production (tons)	160.0	177.3	160.0	177.3	—9.8
Steel production (tons)	256.7	249.8	256.7	249.8	+4.8
CONSTRUCTION (000's omitted)					
aContracts awarded (Mar.)	81,350	38,353	128,500	136,516	—5.9
Cement prod., bbls. (Jan.)	1,008	853	1,008	853	+18.2
AGRICULTURE (000's omitted)					
Flour prod., bbls. (Feb.)	1,799	2,212	3,688	4,690	—21.4
Flour exp., bbls. (Feb.)	770	1,231	1,761	2,610	—32.5
Wheat exp., bush. (Feb.)	7,280	8,101	18,781	22,299	—15.8
Cattle sales (Feb.) (4)	108.2	97.0	259.9	217.1	+19.7
Hog sales (Feb.) (4)	465.2	305.6	1,055.2	705.4	+49.6
SEA FISHERIES (000,000 omitted)					
Catch, lb. (Feb.)	99.4	15.9	209.6	104.4	+107.6
Landed value $ (Feb.)	1,604	835	4,141	2,355	+75.9
NEWSPRINT (000's omitted)					
Production (Jan.)	372	370	372	370	+0.5
Exports, tons (Jan.)	345	347	345	347	—0.6
MINING AND OILS (000's omitted)					
Coal prod. (tons) (Feb.)	1,151	1,126	2,537	2,837	—11.0
Gold prod. (fine oz.) (Dec.)	275	229	3,069	2,833	+7.9
Petroleum prod. (brl.) (Dec.)	767	595	7,729	7,607	+1.6
ELECTRICAL POWER OUTPUT (000,000's omitted) (Jan.)					
Total monthly kw.h.	3,754	3,851	3,754	3,851	—2.5
FOREIGN TRADE (millions of $)					
Imports (Jan.)	206.1	173.8	206.1	173.8	+18.4
Exports (Feb.)	208.3	179.5	443.7	388.1	+14.3
FINANCE (millions of $)					
Bank debits (Feb.)	5,551	5,397	12,042	11,813	+1.9
Bond sales (Feb.)	506.3	337.9	761.0	646.3	+18.1
Life insurance sales (Jan.)	99.0	101.4	99.0	101.4	—2.4
OTHER INDUSTRIAL FACTORS (000,000's omitted)					
Shoe prod. (Jan.)	2,451	3,132	2,451	3,132	—21.8
Cigarette cons. (no.) (Feb.)	1,262	1,209	2,600	2,456	+5.9

(1) Base period 1935-39=100.
(2) All industries.
aNew items for week.
(4) Total at yards and plants.
(5) Nesbitt, Thomson, etc.



J. P. JOHNSON

has been appointed vice-president of Canadian National Railways Western Region (Winnipeg).

MANITOBA POWER COMMISSION purchased and generated 11,099,944 kw.hrs. in February, an increase of 33.83% over the same month last year, General Manager W. D. Fallis states. The number of services connected at the end of February totalled 39,814 compared to 33,236 at the same date last year.

Farm electrification construction was limited during the month by adverse weather conditions. An area in the Municipality of Cornwallis and Whitehead was energized. Stringing of conductor proceeded in the municipalities of South Norfolk, Louise, Saskatchewan, Dufferin, Turtle Mountain, St. Francis and Hamiota.

Asks Court to Set Aside Fed. Grain Share Transfers

From Our Own Correspondent

WINNIPEG—The dispute occasioned by transfer nearly one and half years ago of 20,229 shares of the voting stock of Federal Grain Ltd., has now been carried to the courts.

The transaction caused sharp controversy at the last two annual meetings of the company. On April 1, Edward E. Glasgow, a Winnipeg security dealer and holder of some of the stock, issued a writ asking the court to set aside the transaction. Mr. Glasgow sued on behalf of himself and minority group of stockholders.

The defendants named in the statement of claim are the company itself, all the directors, subsidiaries of the company, and other corporations alleged to have been involved in one way or another in the stock transfers.

Individual defendants are H. E. Sellers, president of the company; Howard C. MacGregor, manager; Harold W. Webster, Victor W. Tryon, Thomas H. Rathjen, H. E. Swift, all of Winnipeg; H. J. Symington, Montreal; Allan H. Williamson, Vancouver; Roy W. Milner, Edmonton.

The corporate defendants are Federal Grain Ltd., The Alberta Pacific Grain Co. (1943) Ltd., a wholly owned subsidiary of Federal Grain Ltd.; The Bawlf Terminal Elevator Co. Ltd. a wholly owned subsidiary of The Alberta Pacific Grain Co. (1943); Royal Securities Corp., Wood Gundy & Co., Royscorp Ltd., and Roytor & Co.

The writ alleges that five of the above named directors of Federal Grain Ltd., are also directors of Alberta Pacific Grain Co. (1943) and that five are also directors of Bawlf Terminal Elevator Co.; that Mr. Symington is a director of Royal Securities Corp., and Mr. Williamson of Wood Gundy & Co.

The authorized capital stock of Federal Grain Ltd., is 40,000 shares of 6½ per cent cumulative preferenee shares of par value of $100 each, of which 30,000 have been issued; 160,000 Class "A" common shares of no par value of which all have been issued; and 40,000 Class "B" common shares of no par value of which all have been issued.

The preference shares carry voting rights if dividends are in arrears. The dividends are in arrears and have been at all times material to the controversy. The Class "A" common shares have no voting power but the Class "B" common shares have. Voting shareholders are entitled to one vote for each share held.

One of the corporate defendants, The Alberta Pacific Grain Co. (1943) Ltd. took over assets of a former Alberta Pacific Grain Co. as result of a reorganization in 1943. Among these assets were 20,229 Class "B" common shares of Federal Grain Co. Limited. This is the block of stock upon which the dispute centres.

On February 20, 1946, the stock was transferred to The Bawlf Terminal Elevators Ltd. On September 7, 1946, it is alleged the stock was again transferred 10,115 shares to Royal Securities Corp., and 10,114 shares to Roytor & Co.

The statement of claim also alleges that the block of 10,114 shares were obtained and held by Roytor & Co. for Wood Gundy & Co. of which the defendant Williamson is a director. It is also claimed that on November 22, 1946, Roytor & Co. transferred 6,000 of the shares to the defendant Williamson who then became their registered owner.

This is the chain of transactions that the court is being asked to set aside. The writ generally claims that members of the interlocking directorates, being on the boards of the Federal Grain Co. and its two subsidiaries, were incorrect in supporting these transfers.

The remedies asked are:

1. That the transfers of the stock be declared a nullity.
2. A declaration that the transactions were "trading" by Federal Grain Ltd. in its own shares and hence beyond its powers.
3. That the deals placed "voting power of shareholders of the company in hands of the transferees and their associates" and that this was wrong.
4. An order setting aside the transfers and rectifying the books of Federal Grain Limited accordingly.
5. A perpetual injunction restraining all the defendants from transferring or dealing with any of the 20,229 Class "B" shares, and from voting on them at any meetings of shareholders of the company.
6. An injunction restraining the Federal Grain Co. from making any transfer of the shares.

HIGHWOOD-SARCEE OILS reports directors elected to company board and that of Highwood Development Ltd. as follows: F. A. Elves, president; P. J. Timms, vice-president and managing director; W. A. Ackland, chairman; Arthur D. Davis, director.

Government and Corporation Securities

Enquiries Invited

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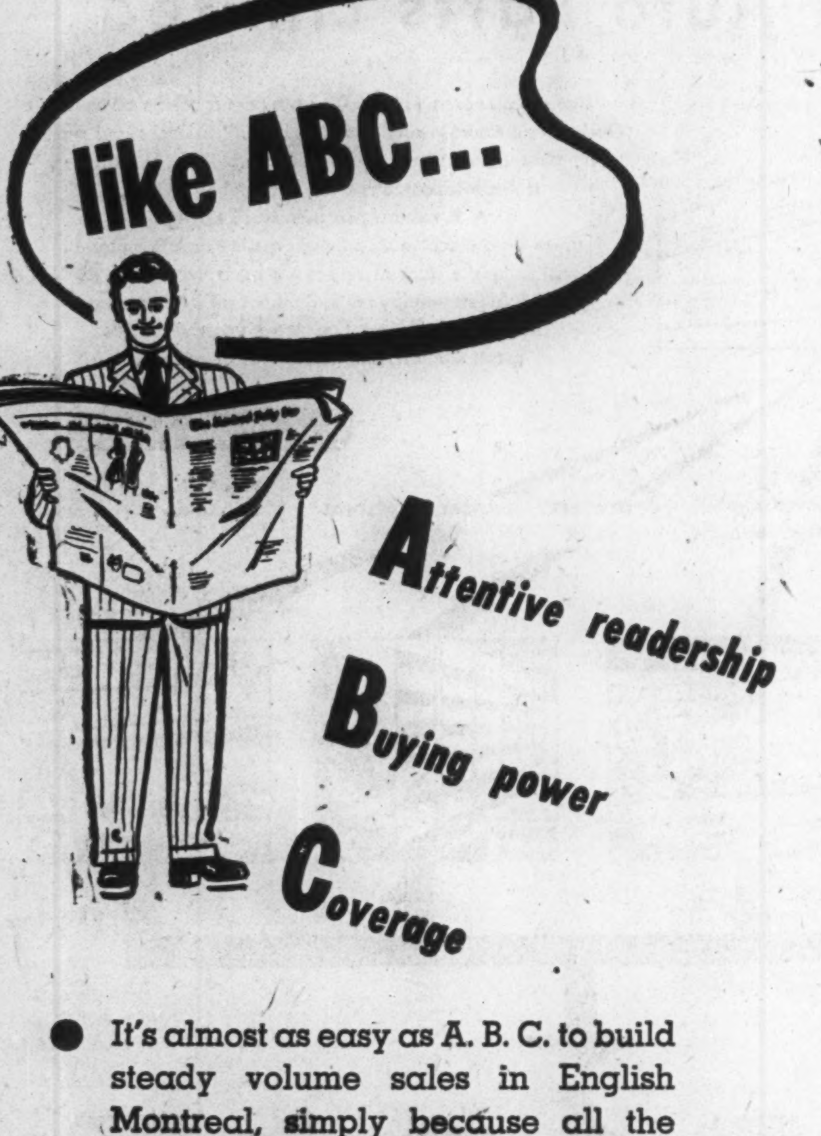

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3 lines of defence against CANCER

YOU are the first line of defence!

Alertness is your job. It's up to you to note cancer's warnings early, while chances of cure are best. That's why you, and everyone, should learn cancer's "danger signals" (they are listed below), and tell your doctor at once if any of these warnings appear. Sometimes cancer gives *no* warning, so it's also wise to have a thorough medical examination at least once a year.

The second line of defence is diagnosis!

This is your doctor's job. The "danger signals" are NOT sure signs of cancer, so it's up to your doctor to find out their cause. In many cases the doctor may advise further examination at a cancer clinic or hospital, or by a specialist. If he does, don't be alarmed. The chances are you don't have cancer. For example, out of 654 women who visited one clinic because most of them had suspicious symptoms, *605 or 92½ per cent were found to be completely free of cancer!*

The third line of defence is prompt treatment!

There are still no drugs, no pills, no "sure cures" for cancer. The only treatments that have been successful are *surgery*, which removes the cancer, *and radiation*, which destroys it. Success often depends upon starting treatment early. Medical experience shows that the chances of effecting a cure *are much greater* when proper treatment begins in the early stages of the disease.

These are cancer's "danger signals"

- Any unexplained lump or thickening, especially in the breast.
- Any irregular or unexplained bleeding.
- A sore that does not heal, particularly about the mouth, tongue, or lips.
- Noticeable changes in the color or size of a mole or wart.
- Loss of appetite or continued unexplained indigestion.
- Any persistent change in normal elimination.
- Any persistent hoarseness or unexplained cough.

Pain is not an early symptom of cancer.

Some hopeful news about cancer

While cancer is the second greatest cause of death, exceeded only by diseases of the heart, real progress is being made in controlling it. Today, if treatment is started before the disease spreads, it is estimated that cures can be expected in 3 out of 4 cases of cancer of the breast, in 4 out of 5 cases of cancer of the mouth, and in over 9 out of 10 cases of skin cancer.

Cancer research and education are progressing through the all-out efforts of public and private agencies. But *you* are still "the first line of defence."

To learn more about protecting yourself from cancer, write for Metropolitan's free booklet, "There's Something YOU Can Do About Cancer."

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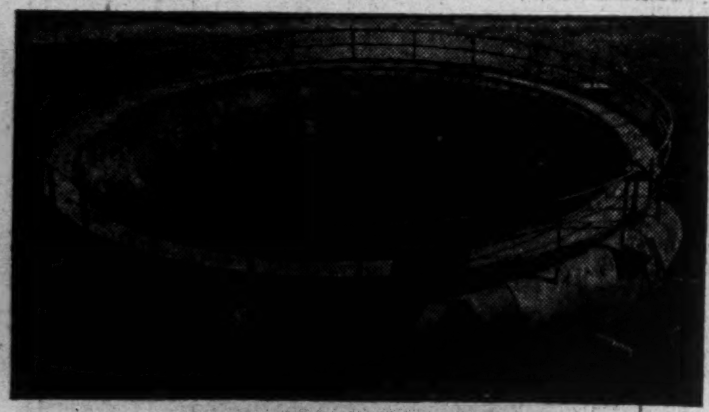
(A MUTUAL COMPANY)
New York
Frederick H. Ecker, CHAIRMAN OF THE BOARD — *Leroy A. Lincoln,* PRESIDENT
Canadian Head Office: Ottawa

TO EMPLOYERS: Your employees will benefit from understanding these important facts about cancer.

Metropolitan will gladly send you enlarged copies of this advertisement — suitable for use on your bulletin boards. Address your request to the Canadian Head Office, Ottawa.



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Ont. Surplus $25,350,000 Net Debt Cut $25,003,184

No individual income tax, no new taxation, a record surplus of $25,039,000, and a reduction in the gross debt of $18,651,939 and of $25,033,184 in net debt, were the features of this year's Ontario budget.

For the fiscal year ending March 31, 1949 net ordinary revenue is estimated at $177,776,900; net ordinary expenditure at $177,513,921, giving a surplus on ordinary account of $262,979. Net capital receipts are estimated at $33,081,370 and net capital payments at $51,133,500.

For the fiscal year ending March 31, 1948 (on the basis of 10 months actual and two months forecast) the net ordinary revenue is estimated by Provincial Treasurer Leslie Frost, at $190,850,000; net ordinary expenditures at $165,811,000. Total net capital receipts on the same basis amount to $50,477,000 and net capital payments to $42,694,000.

The net debt reduction will be double the previous high of $12,947,000 made to 1944, Mr. Frost states. Net debt is estimated at $468,083,820 at March 31, 1948 ($493,087,004 a year earlier); gross debt at $626,569,519 ($645,221,458).

Heavy Borrowing Ahead

Heavy borrowing over the next four years is forecast. Government plans call for raising very large sums of money through the Ontario Hydro and subsidiaries; and in addition, the Government has to take care of its own refunding. Developmental projects now in progress will cover a period of approximately 15 years, until 1963, but will bear most heavily in the next four years, up to the end of the Hydro-Electric Power Commission's year on Oct. 31, 1952, Mr. Frost states:

"During this period we shall need approximately $210 millions for our own refunding, and about $350 millions of new money for development projects, of which approximately $275 millions will be for Hydro, the balance for housing, Ontario Northland Railway and other subsidiaries. These huge plans are faced with confidence. They are an anticipated part of our postwar plans, which we have been working on since 1943 . . . our refunding would have been for us to take care of in any event. . . . The balance of the money required for the next four years, of approximately $350 millions is for great self-liquidating projects which should not cost the taxpayers of the province, as such, a single dollar. In other words, we are using our credit in the form of guarantees to enable subsidiary bodies to borrow the money which will be repaid from the income of the works which are created."

Three Tax Amendments

Three tax amendments will be introduced, Mr. Frost stated. They are:

1. The Corporation Tax Act will be amended to reduce the rate of tax on insurance premiums of every kind, life, fire, casualty, etc., to 2%, the rate applicable in other provinces.

2. An amendment to the Corporation Tax Act will give as an incentive to the companies engaged in exploration and production of natural resources, particularly natural gas, petroleum and precious and semi-precious minerals, a special deduction from taxable income equal to the amounts expended by such companies for exploration, drilling and mining which they undertake in Ontario.

3 The Mining Tax Act will be amended, allowing as an exemption any tax up to $250 payable as a royalty on production of natural gas. This will exempt entirely most of the small producers, and will encourage them to further efforts in exploration and development of natural gas wells, Mr. Frost states.

"Reconvene Conference"

Discussing Dominion-Provincial relations, Mr. Frost presented figures for the year ending March 31, 1948, and stated that "the Dominion was offering us $74,438,000 for tax fields worth at present rates $87,863,000 and from which, without entering the personal income tax field, which is a potential tax the province has in reserve, we collected no less than $72,063,000."

"By accepting the Dominion offer, not only would we have been accepting much less than we have received on any formula, but we would have been selling our financial freedom and the means with which to do the great things this province is to be called upon to do this year and in the future," Mr. Frost adds. "Overwhelmingly significant, we should have jeopardized our credit upon which we must depend for the great expansion program."

Insisting that the course taken by Ontario has helped rather than hindered the Dominion "which has been relieved of the necessity of raising approximately $74 millions to hand over to Ontario by way of subvention," the treasurer states: "There is every reason why the Dominion should now reconvene the Dominion-provincial conference when plans might be laid for it to implement its pledges relative to old age pensions for everyone over 70 years of age without means test, and for other social security measures, advanced by both the Dominion and the provinces. The delay in reconvening the conference cannot be justified. Today, the government of Ontario reiterates oft repeated requests, that the Dominion Government reconvene the conference."

Net ordinary revenue of $190,850,000 estimated for the year ending March 31, 1948 is some $31 millions above the budget forecast of a year ago. The largest increases over estimates are $2.8 millions for gasoline tax, $7.6 millions for the Liquor Control Board; $5,750,000 for succession duties and $11.5 millions for corporation tax.

Net ordinary expenditures are about $6.5 millions above last year's forecast; the two principal increases being about $1.8 millions on health and about $5 millions on highways.

Less From Liquor

In forecasting net ordinary revenue $177,776,900 for the fiscal year ending March 31, 1947, Mr. Frost dropped his revenue from the Liquor Control Board $8 millions from the estimate for the March 31, 1948 fiscal year or to $26 millions. The other principal change is a drop of $2.5 millions in the estimated revenue from succession duties, to bring it to $15 millions.

In forecasting net ordinary expenditure of $177,513,921, Mr. Frost's principal changes from the Mar. 31, 1948 fiscal year in results are increases of $1 million in the Attorney General's Department and in interest on public debt, of $5.7 millions in the Dept. of Education, of $1.7 millions in the Dept. of Health and of $2.9 millions in public welfare. He is forecasting a decrease of $3.9 millions in the expenditures of the Highways Dept.

Other highlights of the budget included:

1. The Government is appropriating $10.8 millions for rural hydro extensions in the coming year. This sum will be matched by the Hydro-Electric Power Commission, with the result that the total construction program this year will be $21.6 millions.

2. $61.9 millions was spent on highways during the past year. This year estimates are for the sum of $57 millions, "which covers the maximum amount of work which the department can do with available labor, machinery and materials."

3. The number of old age pensioners for 1947-48 is 70,859, and cost to the province, including medical services and bonus exceeds $7 millions. New pension applications are being received at the rate of about 1,800 to 2,000 monthly.

4. The Dept. of Health plans to develop rehabilitation services for handicapped persons.

5. Grants to sanatoria are heavily increased. The sum of $3,450,000 is included for general hospital capital and maintenance which will be placed in the Hospitals Aid Fund. The amount to be raised by the hospital tax is not included in this budget, as the fund is to be set aside for hospital purposes only and will form no part of the revenue of the province as such, Mr. Frost stated.

6. In the departments of Lands and Forests and Games and Fisheries, estimates of $8.2 millions are approximately 2½ times the amount provided in 1943.

7. The Government intends to continue to pay the one-mill subsidy to every municipality; such subsidy to be based on the general assessment.

COMPANY REPORTS

INTERNATIONAL BRONZE POWDERS 1947 net profit was off sharply at $249,720 ($608,272). Sharp decline reflects falling sales volume, selling prices remaining practically constant throughout the year. Wage rates advanced and raw materials prices increased, the annual report states.

Demand in 1946 was at a high level, due in part to customers restoring depleted inventories and due to their recovery from curtailment in commercial production of prior years brought about by wartime conditions. There was not a diminishing demand for company products from outside United States and Canada in 1947 but uncertainties arising from doing business in some foreign countries, had an adverse effect on volume of export sales.

Prospects for 1948 indicate a fair demand, although the volume of export sales will depend largely on whether there is an easing or termination of the restrictive foreign government controls; at the moment there is no indication as to when this might come about.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings*	$452,666	$1,094,276
Less: Taxes	202,946	486,004
Net profit	249,720	608,272
Less: Min. int.	7,494	8,925
Pref. dividends	150,000	150,000
Com. dividends	112,500	150,000
Surplus for year	■20,274	299,347
*After deprec. of	67,855	60,966

■Deficit.

Earnings per Share and Dividend Record:

	1947	1946
Preferred†	$2.42	$5.99
Paid	1.50	1.50
Common	†0.92	‡3.00
Paid	1.50	1.50

†Before partic. ‡After partic.

Note: No earnings available for participation in 1947.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$610,811	$682,882
Accts. rec.	226,302	365,114
Market securities	137,343	288,557
Inventories	1,072,138	1,147,705
Total curr. assets	2,046,594	2,484,258
Invests. in subsids.	115,633	141,017
Misc. assets▲	222,831	234,466
Goodwill & patents	876,304	876,304
Fixed assets	2,302,373	2,197,544
Total assets	5,563,735	5,933,589
Total curr. liab.	272,968	677,858
Deprec. res.	1,504,847	1,437,914
Minority int.	31,332	30,299
Capital stock	2,608,037	2,608,037
Capital surplus	44,982	47,792
Earned surplus▲	1,101,569	1,131,689
▲Incl. ref. EPT	84,562	84,561
Working capital	[illegible]	[illegible]

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EXPERIENCE . . . years of accumulated "know how" . . . is an essential part of any steel casting. That is why Dofasco leads the field in producing Canada's finest steel castings. Dofasco foundrymen, over the years, have gained a thorough knowledge of every phase of steel casting practice.

For Example: the marine turbine steel casting shown is extremely difficult to produce. More than 60 core-boxes are required. Weight is more than 6,200 pounds. Yet Dofasco produced these steel castings promptly and to the complete satisfaction of the French Government.

Dofasco STEEL CASTINGS

DOFASCO INSPECTORS watch final machining at JOHN INGLIS CO. LTD.

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HAMILTON CANADA

25,000 business concerns are regular customers of

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There is a reason why 25,000 business concerns all over Quebec and Ontario rely upon the U. A. P. services and parts: To thousands of industries, large and small . . . to garages, transportation companies and public utilities, U. A. P. means: precision work done in up-to-date machine shops; high quality rebuilt motors; a most complete stock of approved parts; more than 800 highly skilled employees throughout all 54 branches. These are the foundation stones upon which this great Canadian institution has been built.

54 SUBSIDIARIES

34 in Quebec; 20 in Ontario

MACHINE SHOPS AND MOTOR REBUILDING

APPROVED AND GUARANTEED PRODUCTS

COMPLETE STOCK

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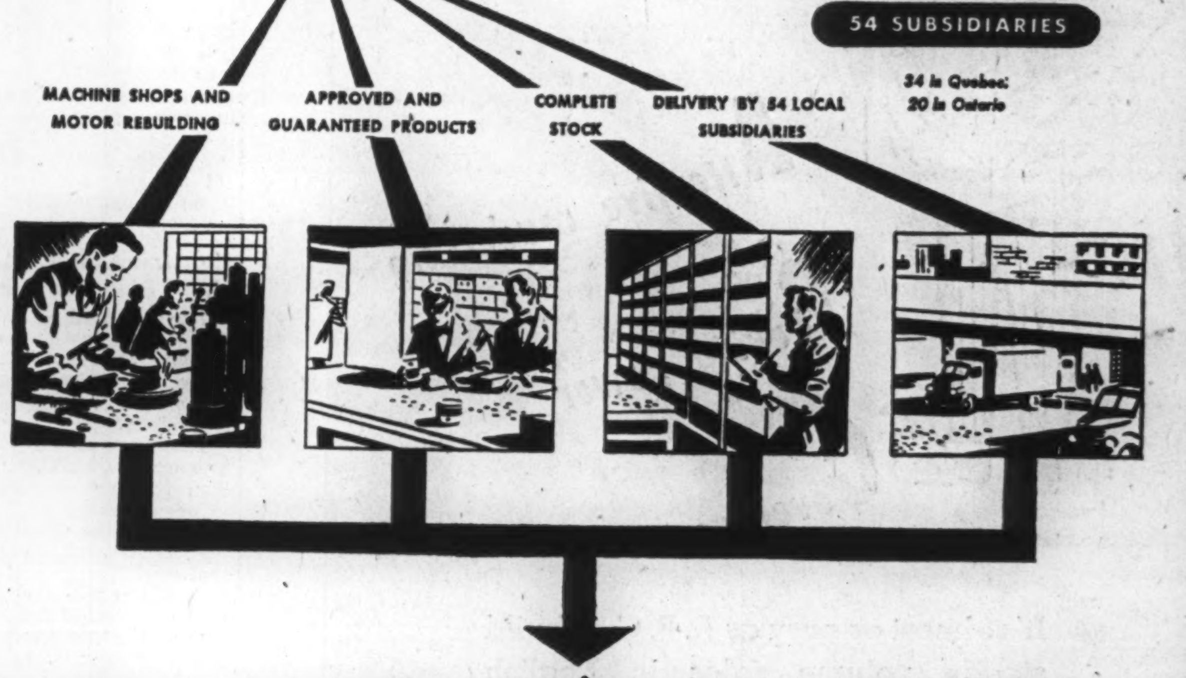

United Auto Parts Limited

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M. PREFONTAINE, *Secretary-Treasurer*

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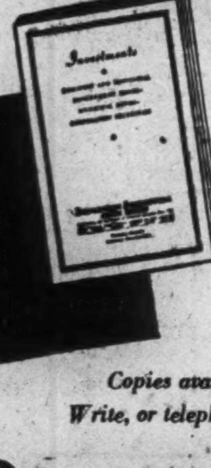
IN A CHANGING WORLD



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ESP

Announcement

The directors of Eastern Steel Products Limited announce the election of

MR. A. B. DAVIDSON

as President of the Company to fill the vacancy in that office created by the death of Mr. W. H. Denton.

The Officers of the Company and the Board of Directors, as now constituted, are as follows:

A. K. CAMERON
Chairman of the Board MONTREAL, QUE.
Chairman, St. Lawrence Paper Mills Co. Ltd.

A. B. DAVIDSON, President TORONTO, ONT.
Financier

H. T. BERRY, K.C., Sec.-Treas. TORONTO, ONT.
Barrister

*C. F. W. BURNS, Director TORONTO, ONT.
Director, Crown Life Insurance Co.

*M. S. HAAS, Director TORONTO, ONT.
President, Geo. H. Hees, Son & Co. Ltd.

J. E. LABELLE, K.C., Director MONTREAL, QUE.
President, Canadian Vickers Ltd.

E. G. McMILLAN, K.C., Director TORONTO, ONT.
Director, Algoma Steel Corporation Ltd.

COL. W. E. PHILLIPS, Director OSHAWA, ONT.
Director, The Royal Bank of Canada

J. M. PRITCHARD, Director MONTREAL, QUE.
President, McColl-Frontenac Oil Co. Ltd.

F. J. MADELY, General Manager.

*Recently elected directors to fill the vacancies caused by the deaths of Messrs. W. H. Denton and W. L. Boyes.

Eastern Steel Products LIMITED
PRESTON • TORONTO • MONTREAL

WANTED: ↙
MEN WHO MAKE DECISIONS

There's room on The Post's mailing list for men of action; for executives who want the kind of business and governmental news that helps them in their business; for investors who can use up-to-the-minute market data in their investment planning.

If you are a decision-maker, The Post offers you an excellent opportunity in the months ahead for profitable business and investment planning.

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Please send THE FINANCIAL POST. Enclosed find—
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Attention of ....
Street address ....
City & province ....
Nature of business ....

Rates: In Canada and British countries (except Australia), $5; Australia, U. S. A., Mexico, Central & South America, France, Spain, $6; other countries, $7.

A-25

ERP Expected to Bolster Canadian Shippers' Position

MONTREAL (Staff) — What will ERP mean to the Canadian shipping industry? Early this week, no one had a full answer; but practically all shipping men were inclined to optimism. They regard ERP as a fair guarantee that Canadian ships will be able to keep their volume of business up to present high level. Earlier, shippers were faced with the very real possibility that a cutback in Canadian exports due to a drying up of export credits would result in a serious drop in business.

Generally, shippers here feel that the provision in the ERP bill, 50% of U. S. commodities to be carried in U. S. bottoms and 50% in European ships, may help the industry. Whether this formula will be applied to goods supplied by Canada is not yet known; but it is considered doubtful if there are enough European ships to handle the huge volume of goods to be purchased under ERP. It is believed, however, that the European countries concerned would like to save their U. S. dollars for goods, rather than spend them on shipping services. It is recalled that United Kingdom spent about 9% of its recent U. S. dollar loan on shipping services.

One other result of ERP, it is believed, may be to free Canadian shipowners from the necessity of earning as many dollars as possible (providing ERP eases the over-all Canadian dollar problem), Thus shipowners may be able to judge each case on its own commercial merits and thereby help their competitive position. For example, where it was deemed advisable, soft currencies might possibly be accepted for shipping services, it is believed.

COMPANY REPORTS

CANADIAN ICE MACHINE CO. 1947 net profit showed a $26,784 gain over the previous year at $77,684. The year was the first since 1940 when demand for company's merchandise and service were attributable to normal peacetime requirements. A substantial demand continued for the first 10 months of the year, particularly from the food industry. The austerity program initiated in November resulted in a temporary halt in the upswing for refrigeration facilities. A shortage of essential materials, particularly copper products and steel pipe, continued during the year. Sales and billings, however, were highest in company's history, and a healthy growth in physical volume of business resulted from sales of services and merchandise.

Management looks forward to 1948 with confidence and anticipates a further increase in volume of sales and service performed, President H. V. Shipley states.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross revenue	$2,519,236	......
Net earnings	146,573	$86,484
Less: Depr.	15,889	11,234
Income tax	53,000	30,000
Add: Asset sale	......	5,650
Net profit	77,684	50,900
Less: Cl. A divds.	13,333	......
Com. (old) divds.	13,350	13,350
Surplus for year	51,001	37,550
Earnings per Share* and Dividend Record:		
Class A:		
Before partic.	$3.11	$2.04
After partic.	1.00	†
Paid	0.53⅓	....
Common:		
Before partic.	1.15	0.62
After partic.	1.05	†
Com. (old) Paid	30.00	30.00

*Based on shares o/s after capital reorganization.
†No earnings available for participation.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$820	$17,505
Accts. rec.	669,422	336,582
Inventories	421,703	270,562
Total curr. assets	1,091,945	624,550
Prep. exp., etc.§	9,576	5,234
Misc. assets‡	38,533	42,898
Fixed assets*	76,660	59,627
Bank overdraft	193,636	97,251
Total assets	1,216,714	732,318
Accts., tax., etc., pay.	495,242	285,102
Total curr. liabs.	688,878	382,353
Deferred liab.	10,235	......
Prem. on stk.	91,500	......
Capital stock	75,000	44,500
Earned surplus‡	351,101	305,465
*After depr. of	186,355	170,969
‡Incl. ref. EPT	22,990	22,990
§Incl. in curr. assets in co's. report.		
Working capital	403,067	242,206

GRAFTON & CO., Dundas, Ont., net profit for the year ended Jan. 331, 1948, was up 12.2%. Volume of sales was higher than in the previous year, but operating profit was slightly lower.

The company moved its London store to newly constructed premises. It also has leased premises in Kitchener where it plans to open a men's and boys' branch store this year. Results to date this year are reported as encouraging.

Increase in inventory value is largely the result of a continued rise in the price of merchandise purchased during the year, but care is being exercised to see that the inventory is kept under control, it is stated.

INCOME ACCOUNT

Periods Ended Jan. 31:	1948	1947
Net earnings	†$330,665	$363,009
Less: Depr.	†	14,159
Reorg. exp.	....	5,524
Income tax	150,484	191,669
Net profit	170,181	151,657
Less: Cl. A divds	36,120	18,060
Surplus for year	134,061	133,597
† After unstated depreciation.		
Earnings per Share and Dividend Record:		
Class A	$4.71	$4.20
Paid	1.00	0.50
Class B	3.71	•3.70
None paid.		
•After 6 mos. pref. divds.		

CONDENSED BALANCE SHEET

As at Jan. 31:	1948	1947
Cash & Dom. bds	$72,272	$281,662
Accts., etc., rec.	32,512	49,835
Inventory	835,588	541,444
Total curr. assets	961,373	872,941
Misc. assets‡	140,358	119,554
Fixed assets*	130,796	96,472
Total assets	1,232,526	1,088,967
Total curr. liab.	97,130	109,260
Capital stock	451,500	451,500
Surplus‡	683,896	528,207
*After depr. of	79,993	63,064
‡Incl. ref. EPT	107,000	107,000
Working capital	864,243	763,681

MOORE CORP. 1947 net profit was up 20.8%. Net sales were $51,742,939, against $42,598,520 in 1946. Part of the increase was greater physical production, and the remainder upward adjustments in selling prices due to rising costs. Both business forms and paper box departments contributed to the improvement in net profit. Net profit on the sales dollar was 5.4c.

Inventories at year end reached a new high mark of $7,995,101, made up of $4,200,000 of raw materials and the remainder of process and finished goods. The increase over the previous year is accounted for by a more adequate paper tonnage in the company's warehouses in relation to current volume of business, and by further substantial increases in paper prices, the annual report states.

Additions to land, buildings, machinery and equipment amounted to $2,901,353. The new plant established at Denton, Texas, for the southern division, was opened in June and is satisfactorily serving that rapidly growing area. The enlarged plant at Elmira, N.Y., and the addition at Los Angeles, were completed during the year. The addition to the Toronto plant was nearly completed, and in partial use by the year end. A large amount of new machinery and equipment, much of it the company's own design, was put into operation in several plants. These additional facilities have provided greatly increased capacity, and the company is now in its best producing position in history, the report states. The special three-year program of plant improvement and expansion will be largely completed during 1948, and thereafter, capital additions should be on a more normal basis.

The company has entered 1948 with a substantial backlog of business in all departments. Improved organization, additional plant capacity, increased marketing and manufacturing control and scientific research are strengthening the company's forward-looking program, it is said.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net sales	$51,742,939	$42,598,520
Net earnings	6,038,200	4,734,757
Less: Depreciation	827,271	736,691
Income taxes	2,414,200	1,683,330
Net profit	2,796,729	2,314,736
Less dividends:		
Pref., A	102,714	118,165
Pref., B	15,524	19,280
Pref., 4%	93,383	......
Common	1,366,354	1,355,011
Surplus for year	1,018,754	822,280
Earnings per Share and Dividend Record:		
Pref. A & B	$55.15	$126.18
Paid	7.00	7.00
Pref., 4%	13.79	....
Paid	0.75	....
Common	5.32	4.59
Paid	2.22+1.03	2.22+0.661

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$4,591,208	$3,167,519
Accts. rec.	6,546,539	6,141,793
Inventories	7,995,101	5,816,223
Total curr. assets	19,132,848	15,125,535
Inv. & adv. assoc. cos.	1,123,885	953,885
Misc. assets▲	653,694	558,300
Fixed assets*	8,521,983	6,451,801
Total assets	29,432,410	23,089,521
Total curr. liab.	7,503,551	5,790,661
Postwar adj. res.▲	....	1,997,496
Pref. stk. prem.	112,000	....
Conting. res.▲	1,996,741	....
Capital stock	13,002,410	9,502,410
Surplus	6,817,708	5,798,954
*After depr. of.	9,502,815	8,773,711
▲Incl. ref. EPT	99,205	95,485
Working capital	11,629,297	9,334,874

HOME OIL CO., which experienced a $754,000 jump in production revenue in 1947, reports net profits of 28.4 cents a share (six-tenths of a cent in 1946).

Earnings are reported after heavy write-offs, (well over $1 million in each year). Working capital was somewhat lower at $587,110 after capital expenditures of $1,977,764.

A major factor in stepping up production value of Home, Canada's largest independent producer of crude, was an increase in the price of Turner Valley crude from $2.15 to $3.70 a barrel.

If three wells now being drilled in Turner Valley prove successful, the company's technical advisers believe the company's undeveloped oil reserves may be doubled. These wells are to be completed this summer.

Two wells have been successfully completed in the Leduc area where the company holds 480 acres. At least 10 wells are expected to be completed in this field during 1947.

Drilling of a well is planned near Camrose, Alta., 50 miles southeast of Leduc, in conjunction with Anglo-Canadian Oil and Calgary & Edmonton Corp. St. Anne No. 1 well is also being drilled on an Indian reserve, 50 miles northwest of Leduc.

Home, witth its two partners, expects to start marketing "Cascade" salt from its Elk Point deposit this spring. A plant has been completed.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Prod'n revenue	$2,706,154	$1,855,690
Less: Royalties	307,278	211,631
Net prod'n rev.	2,398,876	1,644,059
Add: Invest. inc.	18,816	30,702
Other income	3,887	43,237
Equip. prof.	....	6,681
Total net rev.	2,421,579	1,724,679
Less: Oper. exps.	474,633	398,014
Depreciation	119,907	126,455
Depl. & dev. w/o	1,132,629	1,190,488
Taxes	193,222	......
Net profit	501,188	9,722
Less: Dividends	352,000	264,000
Surplus for year	149,188	*254,278
* Deficit		
Earned per Share	$0.284	$0.006
Paid	0.20	0.15

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds	$500,858	$630,032
Accts., etc., rec.	328,580	191,933
Mater. & supplies	111,217	175,131
Total curr. assets	940,655	997,096
Def. & prep. chgs.	26,230	24,294
Invests	455,746	780,996
Invest. in subsid.	86,567	49,255
Land, leases, oil reserves, surf. rts., wells and dev. at cost less w/o‡	1,519,085	2,001,454
Bldgs. & equip.•	488,604	457,588
Total assets	3,516,887	4,310,683
Accts., etc., pay	258,723	161,380
Taxes pay	94,822	....
Total curr. liab.	353,545	161,380
Depl. reserve	....	1,135,149
Capital stock	2,714,820	2,714,820
Surplus	448,522	299,334
•After depr. of	876,168	733,135
‡After w/o of	7,093,937	4,826,160
Working capital	587,110	835,716

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News of Advertising

To promote growing of soybeans in Southwestern and Central Ontario, Victory Mills Limited is spearheading an extensive campaign with a 20-minute sound and color film entitled "Beans of Bounty." Object: to illustrate that adequate processing facilities are available and that a permanent market exists, and will continue to expand as industrial use of soybeans is fully developed.

Coincident with film showings (on selected National Film Board circuits as well as on a circuit organized by Victory Mills to hit key centres) will be spot radio announcements, urging farmers in the territory to grow "the soil-conserving cash crop with a ready market." Advertisements in local weeklies or dailies announce dates of showings.

In addition, a 20-page booklet entitled "New Soybean Guide" is being distributed through Postal Rural Routes in areas where soybean varieties, suitable to soil and climate, are available.

The James Fisher Co. handles advertising and promotion for Victory Mills.

• • •

Art Directors' Club, Toronto, is first group in Canada. Launched last month, it draws membership from advertising agencies, publications, creative printing houses, and art buyers. Robin C. Cumine is president. Other officers: Leslie Trevor, first vice-president; John Belknap, second vice-president; O. K. Schenk, secretary; and Eric Heathcote, treasurer. The executive committee includes Harold S. Caverhill, Stanley Cooper, and Charles Comfort.

• • •

John Labatt Ltd. is sending shareholders a review of a unique advertising experiment it undertook a year ago: space is taken in weekly newspapers and the editor is given an opportunity to make it available (naming "Labatt's" as contributor) to some community project worthy of advertising support. Sixty-four Ontario weeklies co-operated, and the topics selected by editors are classified in seven categories: community effort, public health, civic improvements, civic organizations, local events, clubs, and civic and charitable organizations.

• • •

Ronalds Advertising Agency Ltd. celebrated 25th anniversary last month at staff dinner in Montreal where original office was opened in 1923. Toronto office was opened in 1931.

• • •

Muter & Culiner Ltd. appointed to direct advertising for Atlas Umbrella Co., Toronto, makers of pocket-size double-rib Lady Marina umbrella and new rust-proof jam-proof E-Z Lock Umbrella. Campaign opens in daily newspapers, though more distant plans include woman's magazines and week-end papers.

• • •

Ronalds Advertising Agency Ltd., Montreal, has been reappointed to direct advertising of Del Grande Shoe Co. Ltd., also of Montreal, makers of women's high-style shoes.

• • •

Robert C. Warren has joined Toronto office staff of Kenyon & Eckhardt Ltd. He was formerly an account executive with Vickers & Benson Ltd., Toronto.

• • •

The John Fisher Co.'s campaign for "Micro-Spray," a new-type spray gun developed by the Kellogg Division of the Dominion Brake Shoe Co. Ltd., features strong-selling advertisements in trade papers circulating to the automotive painting and decorating, and industrial spray painting industries.

• • •

O'Brien Advertising Limited's promotion for Jordan's Ltd., Vancouver, largest distributors of Oriental rugs in Western Canada, currently features large-space daily newspaper announcements of a new Jordan department, the "Broadloom Salon." The salon, claimed to be the only one of its kind in Western Canada, is equipped with up-to-date facilities for merchandising broadloom rugs.

• • •

A. J. Denne & Co. report schedules and insertions for Dixon Pencil trimmed this year because of increased cost of advertising on same budget as 1947; will feature Ticonderoga pencils in national magazines; in English and French illustrated week-end publications; school magazines, business and trade papers. Limited campaign for Eldorado drawing pencils in French and English architectural publications.

• • •

A. J. Denne & Co. report 1948 campaign on Nemo "Adjustable Waist" and "Sensation" girdles will include two-color half-page ads in national magazines; special program ads; four-color streetcar cards in 11 major cities (including special card with draped figure to meet Montreal copy requirements.)

MR. W. H. TAYLOR

Mr. W. H. Taylor has been appointed Sales Promotion Manager in Ontario, for the Rubberset Company Limited, it is announced by Mr. C. A. Bradbrooke, Vice-President and General Sales Manager of the Company. Mr. Taylor's long association and many contacts with the drug and hardware trades makes him particularly suited to the sales promotion work. "Will" was formerly Ontario Division Manager and for the present will continue to service the Ontario Division in an advisory capacity in addition to his new duties.

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8,500 square feet on one floor. Fluorescent lighting, new linoleum, newly painted. Passenger elevator. Ideal for large institution. Downtown location.
LYONS
Exclusive Agents
347 BAY ST. TORONTO
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Thirty items of analytical information in graphic and tabular form on more than 180 Canadian Corporate Securities.
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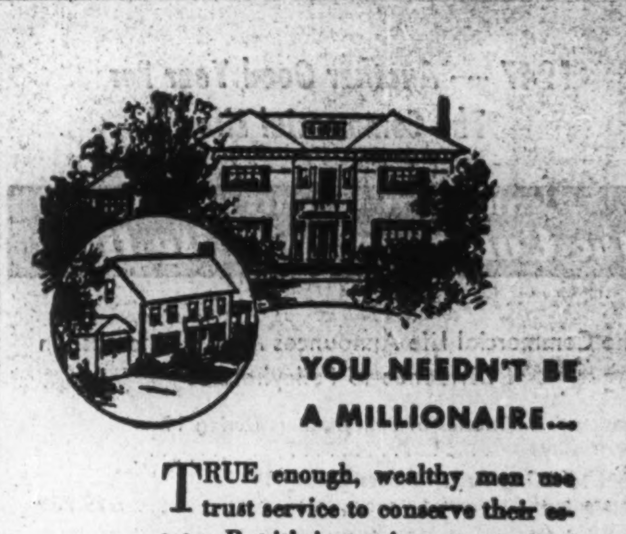
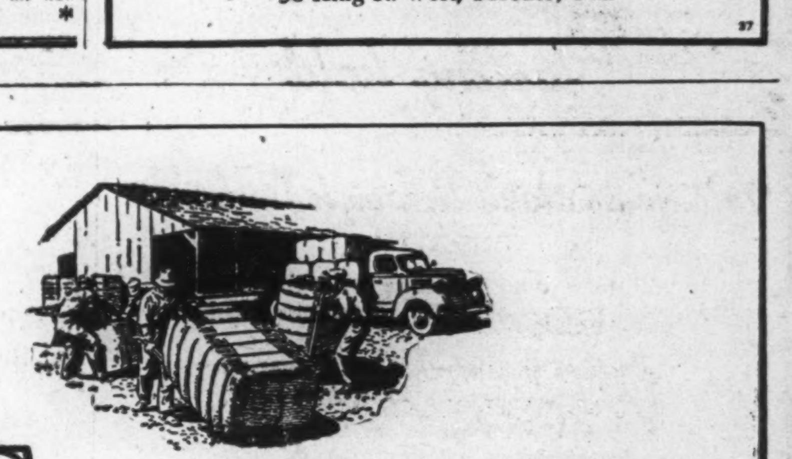


YOU NEEDN'T BE A MILLIONAIRE...

TRUE enough, wealthy men use trust service to conserve their estates. But it's just as important—perhaps relatively *more* important—for men of moderate means to safeguard their property by providing experienced management. Whether your estate totals five, six, or more figures, you'll find an interview with our trust officer time well spent. When do you suggest it will be most convenient?

Crown Trust Company
Executor and Trustee since 1897
MONTREAL TORONTO
Brantford London Windsor Winnipeg Calgary

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED
First Mortgage Bonds, 3¾% Series "C"
Maturing April 1, 1968
Price: 99 and interest to yield over 3.80%
NESBITT, THOMSON & COMPANY, LIMITED
38 King St. West, Toronto, Ont.



The "Case of the Over-insured Cotton" shows how piecemeal purchase, rather than integrated planning,* can be costly in business insurance.

[*One of 6 major ways we save money for our clients.]

Not long ago a Southern mill owner asked an insurance broker to take out a specific policy covering baled cotton stored in his mill. Through another broker, he placed a blanket policy covering his entire plant and its contents, including the same cotton. Neither broker knew the terms and conditions of the policy placed by the other. Result—the baled cotton was insured twice, and the mill owner was paying twice. But in the event of loss, he would have been paid only once.

103 years of serving our clients as intermediaries have taught us how to avoid over-insurance or, overlapping of this kind—how to help you plan and purchase business insurance. Our insurance specialists advise you on contracts and markets, on loss prevention, claim collection and rate analysis.

Why not telephone or write us today? A representative will call at your convenience—and of course without obligation.

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SEATTLE VANCOUVER WINNIPEG
MONTREAL TORONTO HAVANA

BUYERS OF INSURANCE FOR COMMERCE AND INDUSTRY SINCE 1845

LABOR ROUNDUP

By RONALD WILLIAMS

Gold Miners Revolt Against Reds, Quit Union, Set Up Own Committee

One way or another, the future of United States Labor Organizer Reid Robinson wasn't too bright this week.

On April 10, an Immigration Board would bring in its decision whether he was a Communist and should be deported.

But whichever way the decision went the International vice-president of the CIO Mine, Mill and Smelter Union seems to have "had it."

On Sunday, in Sudbury, Ont., the anti-Communist, anti-Robinson faction reiterated its determination to kick Robinson out of the Northern Ontario leadership.

At a wage policy meeting, the issue of Robinson and his coterie of U. S. organizers erupted into open revolt. Thirty anti-Communist delegates (out of 60 present) stalked out and set up their own Provisional Committee. To those who recalled what had happened within the parent U. S. body nearly two years ago, the Sudbury revolt looked like history repeating itself.

In Hartford, 40,000 angry unionists seceded for the same reason. At that time Robinson was International president. During the subsequent investigation by a special CIO Committee, he quit and his right-hand man, Maurice Travis, took over.

The Canadian revolt was led by John Sheddon, president of the Port Colborne local. He was named chairman of the secessionists. The first thing they did was wire the Canadian Congress of Labor to ratify their withdrawal.

Sheddon said the issue was whether the union's campaign for higher wages was going to be directed by "political suspects" from the United States or by the CCL.

Some weeks ago the CCL had offered its organizational facilities if the Americans were sent on their way. This was the CCL's answer to a Red-influenced request for CCL support in demanding the case against Robinson be dropped.

Anti-Communists charge that Robert Carlin, Canadian director of the union, failed to relay this information to rank and file. This is believed to have played an important part in Sunday's decision by the anti-Communist group to get out.

"We believe a majority of our members want to see the Congress offer of assistance accepted," said Sheddon. "We will see to it that the rank and file have an opportunity to decide the issue."

For the administration, Carlin and his boss, John Clark, International president, issued a counter statement charging the dissident unionists with creating confusion and disruption when unity was needed the most.

"Current attempts to deport American representatives of this union are recognized by our conference (those who stayed) as a direct blow at attempts to secure a wage increase (35c an hour) and job security."

Once again, Carlin, a CCF member of the Ontario legislature, had placed himself squarely on the side of the leftists. He did the same at last year's CCL convention. He now stands opposed by his two brothers (The Financial Post, Mar. 27) both of whom have come out flatly against the Communist element and at least half of his union.

• • •

Red Ruse Backfires

The headline in last week's Communist Canadian Tribune was made to order for party consumption:

Affidavits Charge RCMP Connived With Pat Sullivan, Shipowners, To Smash CSU

The story seemed to bear out the heading: The affidavits were sworn to by Edward Hayes, who had just quit as business agent for Sullivan's new anti-Communist Seamen's Union.

At a press conference in Toronto arranged by Trades and Labor Congress Secretary John Buckley, Hayes told one side of the story:

He had conferred with RCMP Inspector Harrison at Fort William as to the possibility of a strike on the Great Lakes in 1948;

One shipping company had supplied the money to form Sullivan's union and finance last summer's antistrike campaign;

Sullivan had told him that he'd made a "deal" with the shipping companies.

This week in Montreal, the rest of the story came out. Hayes "withdrew" his Toronto statement. In another affidavit sworn to before a Superior Court Commissioner, he retracted his first affidavit, "denying all the facts alleged therein."

What's more, he charged he had been promised $450 for making the Toronto statement by Dan Daniels, publicity man for the Red-run CSU, but had only been paid $300.

Daniels promptly denied the accusation claiming Hayes "came to me of his own accord and said he wanted to break with Sullivan."

Obviously, one side of the story or the other was untrue. The question was, which? But one thing was clear. It was the messiest union squabble in a long time.

It began when Sullivan quit the CSU presidency because of Communist domination. Then Sullivan organized his rival Canadian Lake Seamen's Union. Last summer, during a threatened strike by the CSU, Sullivan promised to replace any striking seamen.

Shipping firms added to the inter-union warfare by refusing to allow organizers aboard ships unless they swore they were not Communists. This went before a Federal Board of Conciliation. The union agreed to sign no-communist affidavits.

This year, the running fight between the owners and the CSU came to a head. They ignored a Federal ruling that the CSU had sole bargaining rights and signed up with Sullivan. This is now before another Board of Conciliation.

What's likely to happen? At Welland, Ont., CSU President Harry Davis offered an answer: Because of what he called a "violation of labor laws" by Sarnia and Colonial Steamship and the Canada Steamship Lines, a strike might be called within two weeks. (Navigation officially begins April 15).

If Davis' threat had no more behind it than last summer, there won't be a strike. Then as now, many feel a strike is the last thing the CSU wants. With their union already weakened, a strike would give Sullivan the chance he's been looking for. Observers doubt whether the CSU will give it to him.

• • •

Will Stelco Pact Be Industry Wage Pattern?

Now that the agreement between the Steel Co. of Canada and the CIO Steelworkers was signed, sealed and delivered, attention turned this week to two other key labor-management spots in primary steel: Sault Ste. Marie and Sydney, N.S.

No one expected any trouble. It was felt that the Stelco settlement (13½c an hour including pay for three extra statutory holidays) would set the pattern.

This week, Steelworkers' negotiators were due to meet Algoma officials to work out a new contract. The present one expires April 23.

It was learned the union, now getting 83½c an hour, will ask for another 11½c across the board but will settle for 10½c to bring rates at Algoma into line with Stelco (94c without statutory holidays).

But on top of this, Algoma employees were asking for pay for eight statutory holidays. The Stelco local settled for six and as the union policy is to keep wages uniform in the industry, Algoma local will likely be happy to get six, too.

At present Algoma are not paying for any statutory holidays. Until the new contract was signed, Stelco was paying for three. The union estimates each day is the equivalent of half a cent on hourly rates.

Negotiations are already under way at Sydney. Dosco originally offered 5c but this was before the Stelco settlement. Dosco, like Stelco, has been paying for three statutory holidays. The union hopes to bring this up to the new Stelco level of six.

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Seasonal Upswing In employment

The traditional seasonal upswing in employment was well under way last week. The monthly man-power report of the Federal Department of Labor for March showed fewer persons seeking jobs through National Employment Service offices. The decline was expected to be accentuated in the next few weeks as construction and agricultural industries become seasonally active.

At March 18, there were 199,000 registered with NES, down slightly from the peak of 201,000 in February. Jobs available at Mar. 18: 34,000 or 1,000 more than during February. For men, 18,000; for women, 16,000. Most of the vacancies were in manufacturing industries.

Here's the picture by regions:

Maritimes: 27,000 jobless; 2,000 jobs. Jobless number 2,000 more than the month before but 1,000 less than a year ago. The big increase over February is largely due to seasonal shutdowns in logging and pulp. Construction industry waiting for the weather breakup. Increased shipping activity makes employment prospects brighter.

Quebec: 58,000 jobless; 8,000 jobs. Ranks of unemployment swelled by unplaced woodsmen. This past season there was an adequate supply of bush labor and the cut was finished earlier. Manufacturing industries reported in slightly better position. Secondary textile production has been curtailed somewhat by import restrictions but primary textiles are maintaining steady production. A marked drop in labor turnover has been noticed.

Ontario: 51,000 jobless; 16,000 jobs. Vacancies were about the same as February but ranks of unemployed decreased by about 3,000. Increase largely due to resumption of production by industries hit by natural gas shortage in western Ontario. Apparently unaffected by import restrictions, manufacturing industries at full production. Labor supply plentiful in logging. Pulp operations running ahead of schedule with scarcely any labor turnover.

Prairies: 32,000 jobless; 5,000 jobs. Farm employment expected to pick up rapidly in next few weeks. Farmers already placing orders. Temporary layoffs in Calgary and Edmonton packing houses. No prospect of increased activity in Winnipeg packing plants for some time to come.

Pacific: 31,000 jobless; 3,000 jobs. Little change in unemployment level but noticeable decline in number of new applicants coupled with slight decline in vacancies. Layoffs in cedar shingle industry due to lack of orders, added to the seasonal problem. Heavy construction program expected to provide many jobs.

• • •

Illegal Strikes Hit in Alberta

Last week the Alberta legislature passed the new Labor Act but with one important change: the section requiring union officers to be Canadian citizens was dropped.

This was the most objectionable feature of the whole bill as far as the AFL-TLC section of the province's labor movement was concerned. With this removed, the Calgary Trade and Labor Council gave the new law its blessing.

The "meat" of the new code is that it provides stiff penalties for illegal strikes. One explanation being offered for AFL-TLC approval of this section is that it won't hit their unions, anyway. Unions involved in strikes which would come under such a ruling are usually CIO-CCL.

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CCF Angles For Support in Mines

Hard on the heels of the Communist blowup in the CIO Mine, Mill and Smelter Union in Northern Ontario, the CCF last week stepped up its campaign to get labor to take political action along CCF lines.

At Timmins, union men from Dome, Hollinger, Aunor, McIntyre, Ankerite and P. E. Dome mines set up a CCF labor committee. A leading light was James Carlin, whose brother Bob is the figure-head boss of the union which Reid Robinson controls, and also a CCF member of the Ontario legislature.

W. STUART McNAB

TRANSFERRED TO VANCOUVER. — The Royal Trust Company has announced the appointment of W. S. McNab as Assistant Manager of its Vancouver Branch. Joining the Company in 1915, Mr. McNab goes to Vancouver with wide experience in both personal and corporation fields of trust services, having been Manager of the Investment Department for some years and more recently Corporate Trust Officer of the Company. *

1947 — Another Good Year For The Commercial Life

ABSOLUTE SECURITY WITH The Commercial Life line

The Commercial Life Announces Another Increase in Dividends to Policyholders

Paid to Beneficiaries of Policyholders During 1947 (Mortality) .... $ 66,133
Paid to Living Policyholders During 1947 (including dividends) 229,739
Total Paid to Policyholders and Beneficiaries (including dividends) $295,872

PAID on POLICIES and BONDS SINCE ORGANIZATION (including dividends to policyholders) } Over $6,250,000

Five Years of Splendid Achievement!

	1942	1947	Per cent Increase
ASSETS	$2,877,743	$4,404,572	53.06
RESERVES ON POLICIES	2,231,722	3,386,534	51.75
PREMIUM INCOME	346,506	611,934	76.60
TOTAL INCOME	530,771	839,514	58.17
INTEREST INCOME	127,410	142,524	11.86
BUSINESS IN FORCE	12,124,054	20,502,752	69.11

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Western Head Office—Edmonton, Alta.
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The above are facts gathered by independent investigators. They show the fruits of The Guide's deep penetration and lasting hold upon the minds of those most keenly interested in every phase of farm and home ownership.

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Why old Jarge's riddle was WRONG!

HOW WRONG old Jarge's riddle has proved! . . .

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Cimco engineers have the "know-how" on air-conditioning. We have engineered some of the largest installations in Canada. Many of them industrial; some of them scientific. Many in retail stores; others in hospitals and institutions.

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Inside view of air conditioning unit

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PAGE-HERSEY TUBES, LIMITED

BALANCE SHEET DECEMBER 31st, 1947

ASSETS

Fixed		
Real Estate, Buildings, Plant, Machinery and Equipment, at cost	$ 9,321,721.84	
Investment in Stock of Subsidiary Company	50,000.00	
		$ 9,371,721.84
Deferred		
Refundable Portion of Excess Profits Tax ($98,000.00 payable on or before March 31, 1948)		112,426.43
Current		
Cash on hand and in Banks	$ 555,089.98	
Accounts and Bills Receivable—less Reserves	1,776,672.59	
Due from Employees, and fully secured by Canada Savings Bonds—Series 2	104,119.00	
Employees' Stock Purchase Fund	61,736.50	
Investment in Government Bonds and other Marketable Securities (Market Value $5,588,120.00)	4,926,034.12	
Merchandise Inventory—Valued at the lower of cost or market—less Reserve	2,700,457.18	
		10,124,109.37
		$19,608,257.64

LIABILITIES

Capital Stock			
No Par Value			
Authorized .... 1,000,000 Shares			
Issued and Outstanding ..... 697,104 Shares		$6,249,670.68	
Earned Surplus		2,762,756.00	
Profit and Loss Account	$2,327,492.05		
Add: Refundable Portion of Excess Profits Tax, per contra	112,426.43		
		2,439,918.48	
			$11,452,345.16
Reserves			
Depreciation of Buildings, Plant, Machinery and Equipment		$5,579,652.10	
Contingencies		300,000.00	
Furnace Reconstruction		150,000.00	
			6,029,652.10
Current			
Accounts Payable		$ 883,079.28	
Wages and Miscellaneous Expenses Accrued		124,267.36	
Due to Subsidiary Company		74,100.51	
Dividend declared and payable January 2, 1948		276,781.60	
Provision for Income and Excess Profits Taxes —Less amount paid		768,031.63	
			2,126,260.38
			$19,608,257.64

Certified as per Auditor's Report.

Signed on behalf of the Board:

A. W. HOLMESTED, Director.
A. MACFADYEN, Director.

The Provincial Roundup

British Columbia

Health Insurance for All: Compulsory contributory hospitalization was on its way in the province today, as a sequel to financial difficulties encountered by several semiprivate organizations. The Government was pledged to take over the present federal amusement tax when Ottawa vacated that field (The Financial Post, April 3), and to devote that revenue, plus an additional $2 millions, to a stabilization fund. Individuals would be assessed possibly $15 a year, with a maximum contribution for families — payable either through payroll deductions, or through a hospital insurance office. Employers would be "encouraged," but not required, to share their workers' contributions.

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Alberta

$15 Millions for Highways: The province planned a $15 million highway program, $2 millions above 1947's record high, provided necessary equipment was available. The Government estimated that last year's program would cost approximately $2.7 millions more than the anticipated revenue from fuel oil taxes, motor and truck licenses and drivers' licenses. This year, excess of outlay over income would be proportionately greater.

New Deputy Named: A career civil servant this week replaced a monetary theorist as Deputy Minister of Economic Affairs. Ralph R. Moore, member of the provincial civil service for 30 years, was named to the post in place of L. D. Byrne, who had been ousted by Premier Manning (The Financial Post, Feb. 28). Byrne, a Social Credit expert brought from England in the early days of the party's rise to power, was said to have held views at variance with "fundamental government policy." For the last five years Moore has been Superintendent of Insurance and Fire Commissioner.

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Saskatchewan

Off-year for Churchill: Britain's dollar shortage has dealt a bodyblow to Port Churchill's 1948 prospects, Frank Eliason, secretary of the Hudson Bay Route Association, reported, estimating shipments, from the port would be less than last year's. In 1947, about five million feet of lumber left Churchill, and orders had been received for double that quantity this year; but now it appeared improbable that any would be shipped. If U. K. grain contract requirements have been filled before navigation at Churchill opens in August, no grain carriers will visit the Bay port. In any event, only 110,000 bushels of wheat were now in storage there, and the Canada Wheat Board had warned that no vessel would be sent to the port, unless a full cargo was available.

Cheaper Power: Power rates were to drop again early this summer, the fourth cut in as many years. Top domestic block rate of 9c per killowatt hour would be lowerd to 8c; the other domestic rate would be reduced approximately half a cent; the combination domestic rate, now 2¼c, would become 2c; an estimated saving to 45,000 Power Commission consumers of over $110,000 yearly. Even at the rates, Resources Minister J. L. Phelps estimated, the Commission could show a substantial surplus (its net 1947 profit was $632,775).

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Manitoba

Last Lap in Boundary Line: By mid-April the 650-mile boundary line between Manitoba and Ontario, on which the first survey was made 51 years ago, will have been completed to Hudson Bay. A 16-man survey party under direction of Edward Gauer for the Manitoba Surveys Branch and J. G. Pierce for Ontario, is within 30 miles of northern tide waters.

At the southern tip of Hudson Bay is a concrete monument which marks a fixed point, the intersection of the shore line with the 89th meridian of longitude. The point was agreed upon in 1912 when Manitoba's boundaries were extended to Hudson Bay.

The delineation task began in 1897. A survey was made from the boundary between Canada and the United States north to a point north of the Winnipeg River. In 1921 it was extended through the Central Manitoba mining area so that prospectors would have some way of knowing in what province they should record their claims.

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Ontario

Milk Ceiling Off: Ceiling prices on fluid milk were to disappear, under a bill introduced in the legislature this week by Agriculture Minister T. L. Kennedy. But informed sources said the present price levels, set last November, were more floors than ceilings, and predicted repeal would mean lower rates, rather than higher. (Present rates: 18c a quart in Toronto, 16c to 19c elsewhere in the province). The new measure also aimed at implementing recommendations of the Wells Royal Commission, to separate the judicial and administrative functions of the Milk Control Board. There was still no hint, however, that municipalities would be empowered to enter the milk business, as several had sought permission to do.

Reds Play It safe: Ontario Communists in the 1945 election had fired a scatter-gun, and most of its broadside had gone wide of the target: 30 candidates nominated, two elected. This time the party planned to concentrate its fire on what looked like sure things: "Will contest only seats where we are clearly the strongest labor party, and most capable of winning." Elsewhere (in more than 80 of the province's 90 constituencies) they would support CCF candidates, whether the latter liked it or not: "The Ontario CCF executive has rejected our support . . . it is perfectly within its rights to do so . . . but the question of the next government of Ontario is not purely party property . . . parties have no special privilege; they either express the wishes of the people who support them, or they decline and die."

Tim Buck, national Labor Progressive leader, was already in the federal field (for the second time) in Toronto-Trinity, a seat now held by Progressive Conservative L. W. Skey. Buck emphasized that in the 1945 federal election, he had polled 7,448 votes in Trinity, against 3,425 for a CCF candidate (but he still finished third).

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Nova Scotia

Local Option on Beer: Beer and wine by the glass was one step nearer this week, as the legislature studied a government bill for local option on the question. Sale in hotels and restaurants would be permitted, under the proposal, only in municipalities where a plebiscite had been taken and had brought majority approval. Cocktail bars still seemed remote, as Hon. Geoffrey Stevens, sponsoring the bill, told the House "It is desirable to have less drinking of spirits," and added that beer by the glass, in other provinces, had curtailed consumption of hard liquor.

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New Brunswick

New Dairy Board Head. The Government this week named Maurice H. Lister, prominent Harvey Station dairyman to head the province's Dairy Products Commission, succeeding the late Dr. L. A. Donovan; and simultaneously appointed Charles R. DeMille of Hampton, a member of the Commission.

• • •

Prince Edward Is.

Business Tax — When?: Charlottetown obtained authority from the legislature to levy a business tax, based on area of business premises; but 1948 estimates (revenue $461,623, surplus $485) gave no indication it would be imposed this year. At present, businesses pay only the regular real estate assessment (if they own their premises) plus an assessment on valuation of inventories and fixtures.

To Reclaim Marshlands: The Island, Premier J. Walter Jones voiced confidence, would receive the same federal aid as its sister Maritime provinces, in reclamation of marshlands (The Financial Post, March 6). Dikes built on the Island by French settlers following the Aix-la-Chapelle Treaty (1748) were still "in remarkably fine condition," and should facilitate reclamation work, the Premier added.

Osler & Hammond Buys W. R. Bricker

Osler & Hammond, Toronto investment firm, has taken over the offices of W. R. Bricker & Co., Kitchener and Galt, Ont., it is announced.

W. R. Bricker & Co. has been in business since 1941, having succeeded Seagram, Harris & Bricker at that time. The estate of the late W. R. Bricker will continue as a limited partner with Osler & Hammond.

Osler & Hammond, founded in 1867, are members of the Toronto Stock Exchange, Montreal Stock Exchange and Investment Dealers' Association of Canada. Partners are G. T. Chisholm, H. Franks, G. S. Osler, G. H. Osler and A. C. Ironside.

Roy V. Bullock will be resident manager of the Kitchener office. Originally with the firm of Seagram Harris & Bricker, he has been joint manager of the office in Galt for some time.

Carl J. Wilhelm will continue as sales manager. Alex E. Hergott will manage the Galt office.

BELL TELEPHONE CO. OF CANADA has issued an additional 955 shares under terms of employee stock plan. An additional five shares have been issued under rights to shareholders. Issued capital is 1,267,076 shares.

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Corporate Financing

The financing of corporations calls for different methods depending on the individual factors in each case.

Often the proper medium for the raising of new funds is found to be preferred or common stock. Greenshields & Co Inc has over a long period provided many corporations and owners of corporations with favourable underwriting of such classes of securities. At other times, and/or for other purposes financing by bond or debenture issues more adequately meets the requirements.

During 1947 Greenshields & Co Inc acted as principal underwriter or joint principal underwriter in the origination and distribution of the following corporation bond and debenture issues:

$6,000,000 Northern Electric Company, Limited, 3¼% First Mortgage Sinking Fund Bonds, Series "A", due January 2, 1967.
To finance the building of a new wire and cable plant at Lachine and for plant equipment.

$3,500,000 Henry Morgan Properties, Limited, 3¼% First Mortgage Sinking Fund Bonds, Series "A", guaranteed as to principal and interest by Henry Morgan & Company Limited, due January 2, 1967.
To liquidate mortgage indebtedness payable in U.S. dollars and for other corporate purposes.

$2,000,000 Industrial Acceptance Corporation Limited, 3½% Sinking Fund Debentures, Series "B", due November 1, 1966.
To finance an expanding volume of instalment sales.

$10,000,000 Industrial Acceptance Corporation Limited, 2¼% Series "A", 2½% Series "B" and 2¾% Series "C" Secured Notes, due October 1, 1950, 1952 and 1954.
To fund demand loans at lower rates of interest.

£100,000 Jamaica Public Service Company, Limited, 3½% First Mortgage Sinking Fund Debenture Stock, Series "D", due July 15, 1971.
To finance the extension of the Company's hydro-electric generating facilities.

$1,500,000 John A. Lang & Sons Limited,
$ 400,000 3% First Secured Serial Debentures, due Nov. 1, 1948 to 1955,
$1,100,000 4¼% First Secured Sinking Fund Debentures, due Nov. 1, 1962.
To pay for the acquisition of allied businesses and for general corporate purposes.

$2,000,000 Provincial Transport Company,
$ 600,000 2¾% Serial Debentures, due December 1, 1948 to 1955,
$1,400,000 4% Sinking Fund Debentures, due December 1, 1962.
To finance the purchase of further terminal facilities, garages and autobuses and for general corporate purposes.

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Shop view of runners in process of manufacture: These runners are used in 16,600 H.P. turbines, 1,230 foot head, 600 R.P.M. NOTE: These are integral type castings, not bolted assemblies.

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A recent agreement of the Company with Neyret-Beylier & Picard-Pictet of Grenoble, France, provides for the manufacture and sale of high-efficiency impulse turbines which will be sold under the name of "Dominion-Neyrpic." This enterprise, coupled with Dominion Engineering's own research and design methods, plays a small part in the effort being made by one of the Company's divisions toward filling Canada's engineering requirements.

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MONTREAL STOCK EXCHANGE and Curb Market will publish short sales as at the 15th and close of each month. On March 15 on the Exchange there were 14,705 shares short in 41 issues, led by Winnipeg Electric common, short 1,925 shares. Consolidated Smelters was short 1,100 shares, Abitibi and Massey-Harris, 1,050 shares.

On the Curb the total was 102,170 shares in 34 issues including 97,000 mining and oil shares in 19 issues and 5,170 others in 15 issues. On the Curb the largest short position was 1,808 shares in Brown Co. common and Consolidated Paper, 945. In the mines Quebec Manganese had 36,500 shares and Bobs Lake 23,500.

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Freight Boost Equitable?

The Question: What is your reaction to the proposed railway freight rate increase?

The 21% increase in railway freight rates, granted last week by the Board of Transport Commissioners, has brought widely varying public reaction. Canadians answering a Financial Post questionnaire on the subject, showed a slight majority favoring the boost; but others, chiefly in the Maritimes and the West, opposed any such across-the-board plan. Some called for wider exemptions for grain and other agricultural products; others asked concessions on fuel. Those approving the increase, argued that the only alternative was payment of government subsidies to the railways, to compensate them for operating losses; in other words, as one phrased it, "the only option is whether the taxpayer pays the increased cost directly or indirectly.

D. W. AMBRIDGE, President and general manager, Abitibi Power & Paper Co. Toronto

I am personally quite satisfied that, if the Canadian railways are to make progress, they must have profits. The nation must have adequate transportation and there is great need for more modern equipment on Canadian railways as anyone who uses them knows. The nation should be proud of the magnificent job which was done during the war by the railways and there is no reason for denying them the means for keeping themselves fit and ready to handle the problem of peacetime transportation.

* * *

N. BARTLETT, President, Vernon Board of Trade.

The opinion of the executive of this Board is that a reasonable increase is justified; but we are strongly of the opinion that the present discriminatory rate for British Columbia should be eliminated first. We are urging the British Columbia Government to take the strongest possible action in this matter and requesting an appeal be filed, or else an application for elimination or reduction of the discriminatory rate referred to.

* * *

M. J. CHAMPLIN, President, Saskatoon Board of Trade.

It is my opinion that the freight increase will raise the cost of living in Saskatoon and district, and will force personal economies which will have a retarding effect upon business. A very thorough study by a competent authority with a view to revising freight rates in an equitable manner throughout Canada would be desirable. If freight on fuels, which are absolute necessities to everyone, could be exempted from the increased rates, it would give some relief in this difficult situation.

* * *

F. M. GRAHAM, President, Western Petroleum Assoc., Calgary.

It will impose considerable hardship on drilling and producing companies, since equipment must be moved great distances which, under proposed freight rates, makes drilling much higher than formerly. The proposed rate will also be reflected in the increased cost of crude oil laid down at refineries from points of production in the U. S. or Canada which are not served by pipelines. It seems obvious that gasoline and fuels will in all probability have to be increased to at least a figure, commensurate with the increased freight rates. Any such increase would have to be absorbed by the consuming public, of which the agricultural industry is a large consumer, and who at the present time is suffering to some extent by the freight rate presently applied. We think the increased rate will bear heavily on the whole economic structure, particularly in the four western provinces.

NORMAN HEIMBECKER, Grain Merchant, Vice-pres. and gen. mgr. Parrish, Heimbecker Ltd., Winnipeg.

Operating costs of all industries cannot continue to increase without compensating increase in income from some source. I believe that grain and grain products have for many years borne more than their proportionate share of transportation costs and that rates on these should not be increased.

* * *

THOS. E. HENRY, Mayor, Stratford, Ontario.

Salaries, wages, coal, etc. have all gone up considerably in the last few years. Operating costs have advanced in the same proportion. No business should be run at a loss. If the railways are under efficient management, and I believe they are, there is no other sane course to follow than to raise rates.

* * *

GORDON B. ISNOR, Merchant and Member of Parliament, Halifax, N.S.

I believe the spirit of the terms of Confederation and assurances given at the time that transportation facilities between Nova Scotia and central Canada would be such as not to prove a hardship or hindrance has been grossly violated and distinct disadvantage has now been created against Nova Scotia and other provinces distant from the industrial centres such as Ontario. Definite advantages already exist in the manner of tariff protection for many products manufactured in the thickly populated centres of Canada. There should be a regional zoning to overcome the disadvantages of the extreme eastern and western sections of our Dominion. I suggest that a rate policy, such as exists in postal matters, might be worked out.

* * *

A. R. KAUFMAN, President, Kaufman Rubber Co., Kitchener.

We do not like increased costs, but railways, as well as other business, must operate at a reasonable profit or quit. If freight rates are not raised sufficiently to avoid losses, the federal Government must pay subsidies to compensate the railways for operating losses, as efficient transportation is vital to the economy of Canada. The only option for the taxpayer is to decide whether he prefers to pay the increased cost directly or indirectly.

* * *

H. A. McGILL, Secretary, Brandon Chamber of Commerce

This Board strongly objects to increase of freight rates, in view of the profit shown by Canadian Pacific Railway for the year 1947. This Board is fully in accordance with the brief presented by the provincial government of Manitoba.

* * *

J. J. SAUCIER, Lawyer, Calgary, Alta.

The method of the proposed increase will certainly intensify dissatisfaction in Alberta. An appeal from the decison of the board is certain. For years, the people have felt they were paying more than their fair share of transportation costs. The position of the Alberta Government has strong support from every class except railway employees. Exemption of domestic grain rates is unimportant. As in the case of income tax rates, the increase in freight rates will raise the pressure of public opinion for a re-examination of the whole problem by Parliament or by a Royal Commission.

* * *

W. DENT SMITH, President, Terminal Warehouses, Ltd.

Every reader of The Financial Post is familiar with the increase in the industrial cost of living in recent years. The Canadian railways have been no exception. Payrolls are their largest single item of expense, amounting to approximately 50% of revenues. According to the Canada Year Book, the index of Canadian steam railways' wage rates increased 25.5% from 1939 to 1945. Since that time there have been substantial additional increases in wage rates, and there is now pending, before a Board of Conciliation, a union demand for a further 35 cent per hour increase. It is amazing to hear some industrialists, who have raised their own prices to meet their additional costs, and government leaders, who have held on in peacetime to taxes specifically levied for war purposes only, cry "Wolf" at the railways' attempt to put their financial house in order. Moreover, it is unreasonable that the public at large should be required to subsidize railway shippers. Should there be any sizeable reduction in freight volume, it is doubtful if the 21% increase proposed would be adequate to meet the railways' needs.

* * *

J. McG. STEWART, Barrister and industrialist, Halifax.

The railways are surely entitled to their cost, plus a modest profit, for carrying passengers and freight. The Board of Transport Commissioners is qualified to determine rates necessary to produce this result. If increases in rates prevent movement of goods from the Maritimes and the West to central Canadian markets, it is for the Government of Canada, acting in the national interest to provide, by subvention or otherwise, for the removal of the resulting handicaps. The railways have already done a magnificent work in unifying Canada, and will continue to do so unless prevented by annual deficits.

* * *

W. P. WALKER, General Manager, York Knitting Mills, Ltd., Toronto.

Since higher costs appear permanent, and increased prices prevail generally for goods and services, railroads should be permitted to adjust their charges to maintain sound financial positions and operating efficiency. This necessity has already been recognized by both American and Canadian authorities. It is even doubtful if adjusted rates will be adequate in the future, if volume falls off significantly from present high levels.

These increases are yet another evidence that scale of price and wage levels is becoming permanently established on a higher plane than prewar. With higher dollar purchasing power throughout all sections of the country, proposed rates appear proper, especially since they will not create any fresh handicap to our competition in foreign markets.

COMPANY REPORTS

VERNEY MILLS OF CANADA 1947 net profit was off sharply at $75,905 ($124,909). The year was one of transition for Canada and for the company. Wages at the mill were increased 23% on the average effective Jan. 1, 1947, but price controls were retained on all products until Sept. 17, 1947. Squeeze between price and costs resulted in lower earnings for the year despite a modest increase in production and sales, it is stated.

The company felt shortage of high quality yarns during the year. So far the very tight position in the yarn market has been alleviated only slightly, but its influence on operations is less unfavorable with lifting of price ceilings.

An improvement in housing shortage may be expected which should be reflected in better labor supply and improved mill efficiency, it is said.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$186,958	$301,676
Add: Asset sale profit	6,398	......
Less: Deprec.	64,051	64,794
Bond interest	8,116	25,000
Note interest	83	......
Amort. bd. exp.	589	1,913
Income tax	44,612	85,060
Net profit	75,905	124,909
Less: Pref. divd.	33,600	......
Surplus for year	42,305	124,909
Earned per Share and Dividend Record:		
Preferred	$3.80	$6.25
Paid	1.68	....
Common	0.47	1.21
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$172,426	$148,016
Accts., etc., rec.	252,358	178,265
Inventories	712,920	484,834
Total curr. assets	1,137,704	811,115
Misc. assets▲	62,779	80,292
Fixed assets*	917,512	789,311
Total assets	2,117,995	1,680,718
Total curr. liabs.	172,112	214,113
Funded debt	......	500,000
Capital stock	1,515,436	515,436
Earned surplus▲	430,447	451,169
*After depr. of	424,858	372,871
▲Incl. ref. EPT	43,837	47,511
Working capital	965,592	597,002

EASTERN TOWNSHIPS TELEPHONE CO. net profit for 1947 amounted to $32,508 ($28,741). Number of telephones in service at year end was 4,459—up 527. Gross revenue from all sources amounted to $216,958 — up $20,737 or 10.6%. Total operating expenses were up 16.7% at $151,780.

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New Appointments to Asbestonos Corporation Limited

C. E. MORRISON B.M.E.; M.A.E. — H. C. ARVIDSON B. Ch. E.; M.A.E. — JAS. MATTHEWS

Mr. Joseph Poulin, President and General Manager of the Asbestonos Corporation Limited, St. Lambert, Montreal, announces the following executive appointments to his staff:

Mr. C. E. Morrison, has been named Assistant General Manager. Formerly with the engineering division of the Chrysler Corporation of Canada, Limited, Mr. Morrison has had years of experience in the automotive engineering field including development work, and quality control with considerable background in friction materials.

Mr. H. C. Arvidson, becomes Chief Engineer and will direct the new Research and Development Division of the company. An addition to the present engineering department, this new division will supervise quality control of all the company's products in the brake lining, clutch facing and allied fields as well as the development of new products. Mr. Arvidson is also a former member of the Chrysler Corporation.

Mr. James Matthews, assumes the duties of Sales and Advertising Manager. Well known in Canadian sales and advertising circles, Mr. Matthews is a former advertising agency account executive and lecturer in advertising and sales promotion at the University of Toronto, Department of Extension.

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CANADIAN STATIONS

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SENATOR ROUYN has received payment for 200,000 shares at 35 cents a share, part of underwriting on 300,000 shares under agreement with Cuauni Mining & Milling Co. Issued capital—4,319,333 shares.

Public Ownership of Power Hogg's Advice to Manitoba

From Our Own Correspondent

WINNIPEG—Reorganization of Manitoba's hydro-electric power industry to provide for complete public ownership is recommended by Dr. H. T. Hogg, former chairman of the Ontario Hydro Commission.

His main recommendation is that the government set up two agencies, namely:

1. A single provincial agency with exclusive responsibility for development and operation of all hydro-electric plants in Manitoba now operating or which may be built.

2. A municipal or intermunicipal agency with exclusive responsibility for distribution of electrical energy and operation of a transit system to serve the city of Winnipeg and adjoining municipalities.

These two recommendations imply the acquisition of the power generating and distribution facilities and the transit system of the Winnipeg Electric Co. If this is not considered feasible, Dr. Hogg suggests an interim solution which would not imply acquisition of the company.

The main recommendation is one of eight which Dr. Hogg makes in his report. He was appointed last July to investigate likely power requirements in Manitoba up to 1952; to advise and recommend the scale of water power developments which should be undertaken up to 1953 to meet anticipated needs, and to recommend the order of their development; and among other things to investigate need for co-ordination in operation of the various hydro-electric installations on the Winnipeg River. Other recommendations in his report are:

1. That Manitoba give early consideration to the means through which uses of power would have to be controlled in event of possible early power shortage. In preparing plans to meet an emergency which might result from low water on the Winnipeg River or which might arise between the time present Winnipeg River plants are fully loaded and the time when new sources of energy could be developed, every effort should be made to employ methods of power use restriction, and possibly power rationing, to cause least inconvenience to districts dependent on hydro-electric power.

2. That engineering data be assembled as soon as possible for design of power plants at Pine Falls and McArthur Falls sites on the Winnipeg River, the respective capacities of which, on a 20,000 cu. ft. flow are 112,000 hp. and 54,000 hp. These are the only remaining undeveloped sites on the Winnipeg River. If early additional power demands are to be supplied from the Manitoba reach of the river, the report says Pine Falls is the logical first choice for development, although at the moment encumbered by a reservation to the Manitoba Paper Co.

If necessary, the report suggests, it would be feasible to carry the initial plans to the point of actually placing orders for equipment, prior to finally deciding the particular agency which is to be responsible for the construction and operation.

Co-ordinate Developments

3. Closest possible co-ordination between water power developments on the Winnipeg River watershed in Ontario and in Manitoba. The reference is particularly to the Island Falls site about four miles on the Ontario side of the interprovincial boundary although Island Falls is not mentioned.

"There are important opportunities in this regard," says Dr. Hogg, "not for integrated use of water and power, but for integrated or more complete use of capital.

"Possibilities of obtaining substantial blocks of power from Ontario, either before the Winnipeg River in Manitoba has been completely developed, or immediately thereafter, could be so advantageous to Manitoba and so beneficial to Ontario, that full advantage should be taken of the opportunities afforded for most complete co-ordination between water power developments throughout the entire watershed of the Winnipeg River."

4. Legislation to carry out the recommendations and in particular, (a) to authorize creation of a provincial agency to operate and develop hydro-electric power plants in Manitoba, together with main transmission lines substations, etc. to deliver power to Greater Winnipeg, and (b) to authorize the agency or the Government on its behalf, to acquire by purchase or lease such power plants, transmission lines, etc., as are required for its purposes; (c) to give the agency power of expropriation; (d) to authorize the agency to develop and construct plants it may require, to make agreements with Ontario, raise whatever funds it may require, and authorize the Government, acting through any board, Commission, or other agency, to determine the uses for which electrical energy in Manitoba may be sold.

5. That negotiations looking toward consolidation in a provincial agency exercise utmost caution with respect to costs of acquiring the necessary plants and facilities. The main purpose, states the report, which the Winnipeg River would have to serve in a consolidated system would be to provide the low-cost energy essential to the system if more costly energy is to be delivered in the future and made available at reasonable rates. Any unnecessary expenditure incurred in acquisition of plant and utilities would not only be reflected in future rates but would also impose limitations upon the extent of future water power development.

Need Reorganization

6. That the Government should not assume responsibility for development of future power supplies required for the main urban and industrial regions of the province except on a basis of a comprehensive reorganization of the hydro-electric industry along the lines based in the first and main recommendation of the report.

Whatever agency accepts responsibility for providing future power supplies must, prior to accepting that responsibility, be supplied with the means through which that very heavy obligation could be fulfilled. In this connection Dr. Hogg stresses that control of power plants on the Winnipeg River would be a fundamental necessity to sound acceptance by any agency of responsibility for other very costly developments which must be put under way in the near future. It is quite probable, he says, that development of adequate power resources within the next 20 years will require new capital expenditure from $100 millions to $200 millions.

"It is perhaps conceivable," he says, "that the Government, in its anxiety to meet an immediately impending crisis, could embark upon an unsound scheme of public enterprise in the hydro-electric field, and, by so doing, create conditions which would make the water power problem of the early future much more complex if not completely unmanageable."

7. In event that reorganization of the hydro-electric industry in Manitoba along lines in the first recommendation of the report was not feasible, the Government might consider a possible interim solution.

This interim solution is one of four alternatives discussed in the report after Dr. Hogg has cited five major principles of water power management.

Suggests Power Pool

"A possible interim solution to the power problem of the immediate future might be provided," he says, "if the province were to accept responsibility for development of future power sites, or for a long-term arrangement for importation of power from Ontario, or a combination of both, on the basis of a compulsory reorganization of the hydro-electric industry in Manitoba.

"This would involve setting up a 'power pool' under control of the province. Under such plan power . . . would in effect be purchased by the province and subsequently allotted and sold to the three distributing utilities, the Winnipeg Hydro, the Winnipeg Electric Co. and Manitoba Power Commission. The difference between the price paid by the Government for power coming into the pool and the price at which it was sold, would be fixed in such a manner that, in addition to meeting costs of administering the pool, it would also effectively equalize cost of power as between the various sources from which it would be derived.

"In addition, the price differential should make adequate provision for development of new power sources. The main advantage of such a plan would be that it would provide for pooling of Winnipeg River power with more costly power from other sources. Another advantage would accrue from integrated operation of plants on the Winnipeg River and operation of those plants at maximum output."

As to defects of this scheme Dr. Hogg points out two: one, that as allocation of power between the several utilities would be in discretion of the province, it might have the effect of utilizing assets of one corporation for particular benefit of another and possible competing corporation; the second, that it would offer little hope of bringing about an over-all reduction in cost of producing electrical energy and by placing an additional agency in the hydro-electric field, would be likely to cause an increase in overhead and hence in cost of generation and distribution in Manitoba.

This scheme is next in order of preference to his main recommendation if the latter can't be carried out.

Total of 594,000 hp.

Present installed capacity of the plants on the Winnipeg River are 105,000 hp. at Pointe Du Bois and 96,000 hp. at Slave Falls, both owned by the Winnipeg hydro; and 225,000 hp. at Seven Sisters and 168,000 hp. at Great Falls, both owned by the Winnipeg Electric, a total capacity of 594,000 hp.

Although a regulated flow of 20,000 cu. ft. per second may be available, Dr. Hogg notes it would be advisable to plan for the future on 18,000. On this basis the city's two Winnipeg River developments can meet the anticipated primary demand upon the system up to the fall of 1951, except for a minor shortage in the winter of 1950-51. Additional capacity of some kind should be available, he says, by the fall of 1952, either by bringing into operation a new hydro-electric development or some form of auxiliary power.

Under the same conditions the Winnipeg Electric Co. can meet the anticipated demand up to the fall of 1953, except for a minor shortage in the winter of 1952-53. Additional capacity should be available before the winter of 1953-54 if actual demand follows projected increases.

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ASSETS		
Cash in Banks and Offices		$ 4,177,654.28
Investments:		
United States Government Bonds	$19,921,804.01	
Other Bonds	3,950,218.68	
NorthStarReinsurance Corporation Stock	4,561,898.82	
Other Preferred Stocks	1,669,250.00	
Other Common Stocks	9,761,491.16	
Total		39,864,662.67
Premiums in course of collection (not over 90 days due)		1,197,833.58
Accrued Interest		135,701.83
Other Admitted Assets		21,898.80
Total Admitted Assets		$45,397,751.16
LIABILITIES		
Reserve for Claims and Claim Expenses		$20,433,637.36
Reserve for Unearned Premiums		5,697,832.72
Reserve for Commissions, Taxes and Other Liabilities		2,557,466.62
Voluntary Reserve	$ 1,708,814.46	
Capital	5,000,000.00	
Surplus	10,000,000.00	
Surplus to Policyholders		16,708,814.46
Total		$45,397,751.16

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department. On the basis of December 31, 1947 market quotations for bonds and stocks owned (other than stocks of affiliates), Total Admitted Assets would be increased to $45,413,214.65 and Voluntary Reserve to $1,724,277.95. Securities carried at $4,804,535.43 in the above statement are deposited as required by law.

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NORTH STAR REINSURANCE CORPORATION

Financial Statement, December 31, 1947

ASSETS		
Cash in Banks and Offices		$ 2,564,[illegible]
Investments:		
United States Government Bonds	$11,147,508.08	
Other Bonds	857,106.80	
Common Stocks	1,281,160.00	
Mortgage Loans	17,730.00	
Total		13,303,504.88
Balances due from Ceding Companies (not over 90 days due)		980,561.77
Accrued Interest		42,372.34
Other Admitted Assets		33,518.40
Total Admitted Assets		$16,924,138.99
LIABILITIES		
Reserve for Claims and Claim Expenses		$ 1,807,44[illegible]
Reserve for Unearned Premiums		10,079,396.85
Reserve for Commissions, Taxes and Other Liabilities		461,904.40
Capital	$1,300,000.00	
Surplus	3,275,397.24	
Surplus to Policyholders		4,575,397.24
Total		$16,924,138.99

Bonds and stocks owned are valued in accordance with the requirements of the New York State Insurance Department. On the basis of December 31, 1947 market quotations for bonds and stocks owned, Total Admitted Assets would be decreased to $16,871,495.45 and Surplus to $3,222,753.70. Securities carried at $508,479.55 in the above statement are deposited as required by law.

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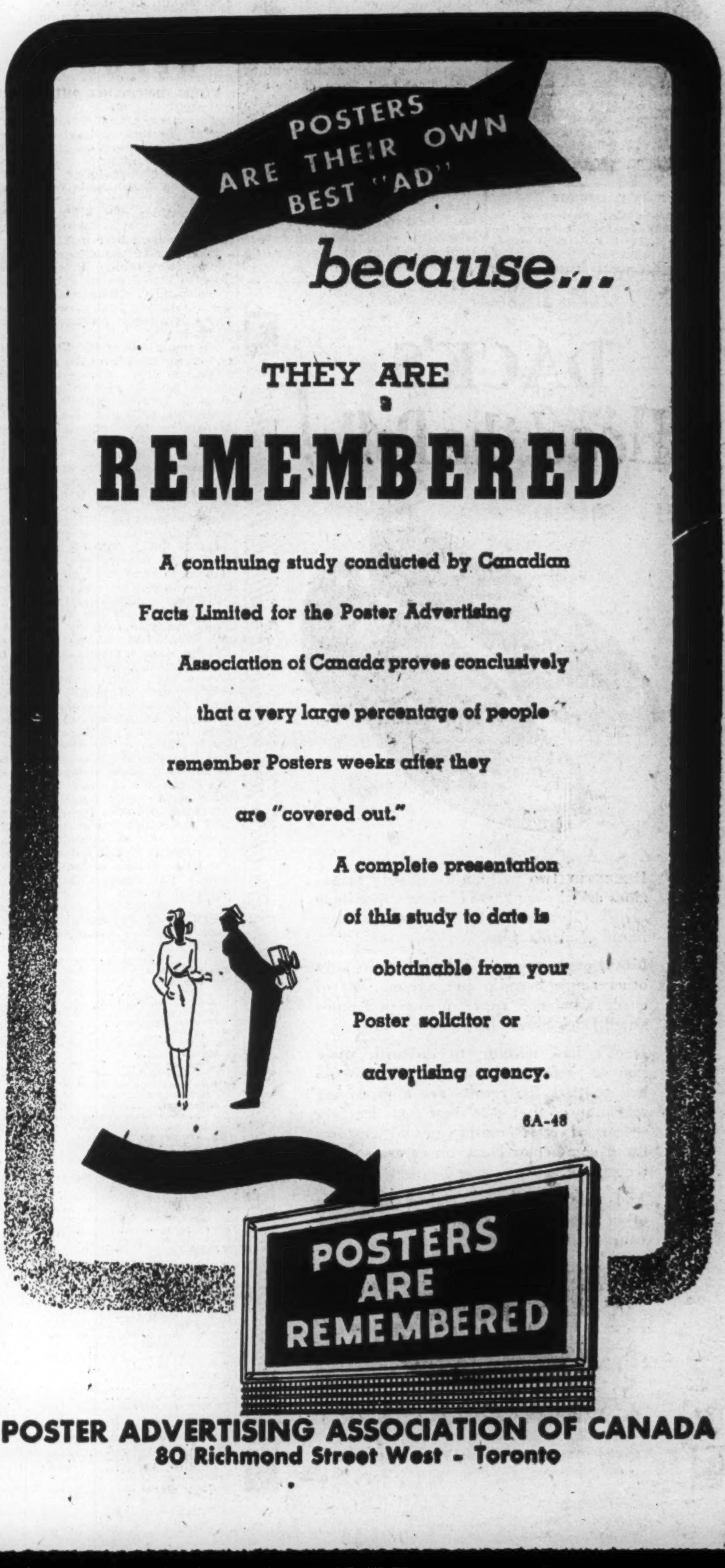


WHAT'S NEW IN BUSINESS

Manufacturers of products that are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respects it is new, and indicate its significance to its field.

Chrome-base Concrete

"Kromecast," high-strength Crome-base refractory concrete can withstand temperatures up to 3,100 degrees F. Makers say it is of major importance for industrial furnaces, easily installed and combines slag-resisting properties of chrome-base materials with ability to support loads at high temperatures. Can be poured into place like ordinary concrete or applied by plastering with a cement gum.

• • •

Speaking Confidentially

Confidential information, letters and records can be dispatched or filed under automatic coding and decoding system. Plastic tracking disc is used in conjunction with machine which magnetically records on thin paper or plastic. Unless person playing back has identical tracking disc of same code, recording is unintelligible. Each purchaser receives set of identical discs; no others are made exactly the same. Makers state that voice is recorded in magnetic pattern which cannot be analyzed or understood except by playing it back while using appropriate disc.

• • •

For Mine Safety

Bright yellow electrical cable which can be seen in gloom of coal mines aims at increasing mine safety. Made in various sizes, cable's yellow covering will enable miners to keep out of dangerous places more easily than ordinary black cable, explain makers, United States Rubber Co.

• • •

Window Platform

Simple gravity device eliminates danger in jobs which entail standing or sitting on window ledge. Unit adjustable to all normal wall thicknesses, is made of bent steel rods and fits over window sill, enabling user to stand on wooden platform protected by steel railing. Tested to hold more than 500 pounds, the "Windo-Step" is recommended by manufacturers for use when washing or puttying windows, hanging screens and awnings. Commercial model for use in large buildings is being developed.

• • •

Mop Wringer

Wringing out messy mop need no longer be a problem to the housewife or cleaning woman. New mop pail has built-in wringer which, manufacturers say, prevents spillage on feet or floor. Housewife dips mop into water then presses lever which lifts wringing unit. She plants foot firmly on wringer pedal and pulls mop through clean and dry. Pressure of foot keeps rollers compressed and balances pail. Unit has no springs or other mechanism to get out of order.

• • •

Seals Wood

Gums, resins and treated oils restore toughness, bring out natural grain of wood and provide nonslip, water and alkali-resistant surface. Canadian makers of "Horn Florcrez" claim product permits spot refinishing without affecting appearance and keeps grime out of wood, reduces splintering and enables it to carry heavy traffic.

• • •

Boat Trailer

Lightweight boat trailer weighs under 100 lbs; it constructed of rigid, welded angle iron and equipped with high-speed steel disc wheels with tapered roller bearings and 400 x 8 pneumatic tires. Will carry any boat up to 14 feet and has a capacity of 500 lb. according to manufacturer. Trailer is equipped with safety-lock coupler.

• • •

Grab Hook

Clevis grab hook, specially designed for quick attachment to or detachment from chain and for easy switching from job to job, eliminates labor of shackling, cold-shutting, cutting, bending and rewelding chain, it is claimed. Hook is attached by merely slipping clevis pin into place and spreading cotter. All parts of hook are drop-forged and heat-treated for maximum strength. Safety housing covers end of clevis pin, preventing cotter from catching workers' clothing or scratching their hands. Grab hooks are available in ¼ in. to ⅝ in. sizes.

• • •

Giant Plastics Molder

Mass production of large items of plastics such as refrigerator parts, radio cabinets, toilet seats, etc., can be achieved by use of large capacity thermoplastic injection molding machine, makers say, declaring this opens up many new possibilities for plastics molder. Huge machine features single nozzle injection and is capable of molding 40 ounces of acetate or 32 ounces of polystyrene per cycle.

• • •

Plastic Sock Dryer

New sock dryer made from clear Polystrene is adjustable to fit sizes 8½ to 11½. Canadian maker says plastic dryers do not sag or rust-stain socks, or tear them. Hooked for hanging, light weight and small size when adjusted make them ideal for traveling.

• • •

Fragrant Hairbrush

Combining glamour and hygiene, English hairbrush of revolutionary design, is advertised to perfume hair while brushing. Refillable bristle base is detachable from colored plastic handle for washing. Behind bristle is perfume pad which can be saturated with personal perfume, and with each stroke of the brush, perfume is imparted to the hair. Removable bristle enables brush to be washed thoroughly; perfume pad is also replaceable.

• • •

Soldering Made Easier

Pistol-grip iron makes for easier soldering, especially on small parts or instruments and for reaching "difficult" spots. New lightweight tool with handle molded from low conductivity Bakelite plastic gives user increased control and protection from heat developed in the iron, makers say.

• • •

Draft Excluder

Automatic aluminum door seal is designed to prevent drafts, cold air, odors, dusts and insects from entering door and sill. Available in 30-, 36- and 42-inch sizes. Makers say they can be fitted to any size door, simply by cutting with hack-saw.

• • •

Kitchen Gadget

Grapefruit cutter divides fruit into equal sections, removes core and cuts fruit from rind in one operation. Consists of hollow metal centre post, a dozen blades and stainless steel rinding knife.

• • •

Lightweight Trout Net

Tubular anodized aluminum frame, resistant to rust and corrosion, warping and rot, makes latest anglers' landing-net. Manufacturers state that new design reduces weight without sacrifice of strength.

• • •

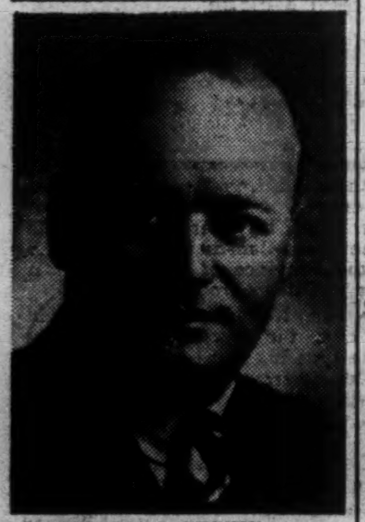
Floats Fish Flies

Silicone compound developed in U. S. will waterproof trout fly with one application and keep it afloat on water as long as fly lasts, makers say.

• • •

Sharper Movies

New type lens produced by the Eastman Kodak Co. for 16 mm motion picture making is said to give better definition and resolution at F/1.4 than was possible before at such wide apertures.



JOHN E. KENNEDY

Wills, Bickle & Co., Members of The Toronto Stock Exchange, announce the admission of John E. Kennedy as a General Partner in the Firm. *

J. CLARKE McGLASHAN

has been appointed general manager of the McGlashan, Clarke Co., Niagara Falls.

Rheem Starts Lined Drums

Rheem Canada Ltd. (Hamilton) recently began producing lacquer-lined steel drums — the first mass-produced in Canada, Vice-President and General Manager Trumbull Warren states. Their introduction "will mean substantial savings in drum costs" to producers of shortening, vegetable oils, butter, molasses, syrups, soft drink concentrates, etc., he adds, explaining that hitherto, only imported lacquer-lined drums and drums of a more expensive type have been available for sale in Canada for shipment of perishable and corrosive goods.

Rheem also will produce a variety of sizes and linings suitable for chemical industry shipment of strong solvents, acetone, alcohols, animal and vegetable oils, fatty acids, pine oils, linseed oil, fish oil, putty, glycerine, witch hazel, oil refinery products, industrial oils and greases.

Established in Canada last Sept., Rheem began producing petroleum drums in Oct. A subsidiary of Rheem Manufacturing of California, the Hamilton company brings to Canadian industry, production experience gained in 17 Rheem plants in United States and other countries.

COMPANY REPORTS

YORK KNITTING MILLS 1947 net profit was up 21.6%. Costs of raw materials and manufacturing are at the highest level in many years and increasing caution toward forward commitments and present high value of inventories is appearing among distributable trades, the annual report states. The company is undertaking reductions in its inventory and its forward-buying commitments, where practicable.

Prospects of the company again appear favorable, President J. Douglas Woods states. Prospect for a continuing strong demand for the company's product at satisfactory prices seems reasonably assured, it is said.

An underwriting has been entered into for the sale of the remaining $1 million first mortgage bonds. Directors have decided to sell all the class B shares remaining in the treasury at $3.50 a share to B shareholders on basis of one for each two held, and prior to May 31 to sell any unsubscribed balance to the company's largest shareholder, who has offered to purchase the balance on the same terms.

Additions to fixed assets in York Knitting Mills cost $418,000 in 1947 and indicated cost of plant additions in 1948 is $800,000. Fixed assets, after depreciation, were increased to $1,590,774 from $1,361,358 and investment in, and advances to, subsidiary companies to $737,330 from $420,225. These funds were made available to Kroy Unshrinkable Wools Ltd., which operates in Canada with a wholly-owned subsidiary in the U.S. and also Taylor-Woods Ltd., which is undertaking establishment of a full fashioned hosiery plant in Northern Ireland to supply British and export markets. Each of these three companies is still in a development stage and the company's share of the losses incurred since incorporation of the companies at their year ends, amounted to approximately $315,000, which has not been included in the 1947 profit and loss account. Each company is now operating at an increasing rate of output and during the latter months of 1948, it is expected that together they will be enjoying profits. To meet their future requirements approximately $500,000 will be required, and of this, $190,000 is available in U.S. treasury securities.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$1,002,857	$711,271
Less: Deprec.	198,941	142,619
Bond interest	60,909	53,281
Income taxes	220,000	210,000
Pension contrib.	151,582	......
Net profit	371,425	305,371
Less: Pref. divds.	‡47,250	31,500
Com. divds.	137,407	91,605
Surplus for year	186,768	182,266

‡For 18 month period.

Times Bond Interest Earned:	1947	1946
Before deprec.	16.46	13.35
After deprec.	13.20	10.67
Earnings per Share and †Dividend Record:		
Cl. A: Earned	$1.15	($0.94)
Cl. B: Earned	0.52	(0.37)
1st pref.: Earned	......	203.58
Paid	10.50	7.00
2nd pref.: Earned	....	98.29
Paid	10.50	7.00
Common: Earned	....	1.20
Paid	0.60	0.40

†On Dec. 31, 1947, each first preferred subdivided into 25 Class A and 2 Class B; each 2nd preferred into 1 Class A and 2 Class B; each common into 1 Class A and 2 Class B.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. secs.	$196,901	$160,212
Accts. rec.	827,506	554,024
Life ins., c.s.v.	58,428	56,600
Inventories	2,922,785	2,049,629
Total curr. assets	4,005,620	2,820,465
Dep. with trustee	......	500,000
Misc. assets▵	787,990	445,401
Fixed assets‡	1,590,775	1,361,359
Total assets	6,384,385	5,127,225
Bank advances	1,027,890	......
Accts. pay. & accr.	672,282	442,561
Conting. & tax res.	173,773	310,992
Bds. maturing	50,000	50,000
Total curr. liabs.	1,923,945	803,553
Funded debt	1,900,000	1,950,000
Capital stock	1,122,201	1,122,201
Surplus▵	1,438,239	1,251,471
▵Incl. ref. EPT	3,959	3,959
‡After depr. of	1,899,345	1,710,458
Working capital	2,081,675	2,016,9[illegible]

8-07

Julius Kayser & Co's. Sherbrooke Plant (part view).

We used Gunite to repair the defective concrete, followed by a coat of Dum Dum Masonoc over the whole surface. The result is highly satisfactory and most attractive.

Illustrated booklets available on request

This "ad" is directed to the man who takes pride in the appearance of his factory.

We hereby offer that man our services to restore his concrete or masonry buildings, so that he may find satisfaction in the knowledge that their structural soundness and appearance have been protected **indefinitely** from the destructive forces of weather.

Write or phone for additional information and quotations.

GUNITE AND WATERPROOFING LIMITED

Toronto MONTREAL Halifax

Incorporated 1933

Enquiries from Western Canada should be addressed to

THE ARCO CO. — CLEVELAND, OHIO, U.S.A.

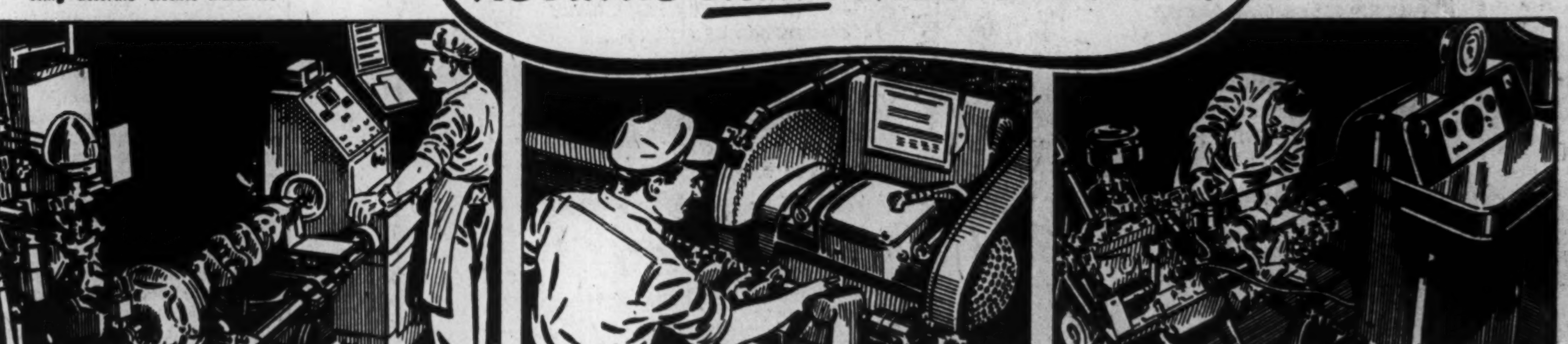
ABOVE — Superfinish honing of cylinder bores. Mirror-smooth finish assures long wear.

CENTRE, ABOVE—Piston fitting is made accurate and easy when cylinder bores have successfully passed this "finish-and-bore test", using accurate electric indicator.

DODGE

PRECISION ENGINEERING ASSURES EXTRA VALUES FOR YOU

ABOVE — Superfinishing after precision grinding, all crankshaft bearings to from 2 to 4 millionths of an inch — for smooth operation and long wear.



Crankshaft, clutch and fluid drive unit being statically and dynamically balanced, using accurate electronic indicators. Proper crankshaft balance ensures longer engine life and smoother operation.

Shown above is one of the advanced automatic machines which precision grind the contours of the camshaft to from 8 to 10 millionths of an inch. Valve opening is thus set within very close limits for most efficient engine operation.

This special laboratory type dynamometer is used for periodic "fatigue" tests of motor parts in operation to make sure all parts meet engineering specifications. Other production type dynamometers test ALL engines before final O.K.

DEPENDABLE DODGE PERFORMANCE, LONG ENGINE LIFE AND LOW UPKEEP RESULT FROM CAREFUL CHECKING OF EACH AND EVERY PART

PRECISION-BUILT DODGE ENGINES are one of the chief reasons why Dodge automobiles have established such an outstanding reputation for DEPENDABILITY.

These powerful, dependable engines are produced in Canada with the finest up-to-date machinery in a vast, modern plant of the Chrysler Corporation of Canada, Limited. Every operation is carefully performed by Canadian craftsmen with years of engine-building experience. Accurate checks are made throughout the manufacturing process — raw materials must meet rigid Dodge engineering standards . . . specially trained inspectors, using the most up-to-date inspection tools, make exhaustive checks after each production line operation.

This fine CANADIAN workmanship, backed by unexcelled engineering research, assures you of *continuing* dependable Dodge performance, long engine life and low upkeep.

DODGE DE LUXE
DODGE SPECIAL DE LUXE

DODGE CUSTOM
WITH FLUID DRIVE

MANUFACTURED IN CANADA BY CANADIAN CRAFTSMEN

DACK'S Head the Polls!

RECENTLY two well-known quality magazines asked over 2,000 of their subscribers across Canada: "What is your favorite brand of men's shoes?"

More men named "Dack's" than any other single brand! In fact, one out of every four men expressing a preference voted Dack Shoes their choice.

Dack's had nothing to do with these "buyer preference" surveys. But we do believe that the results are a gratifying reassurance that the seasoned leathers — careful craftsmanship — and custom-fitted comfort of Dack Shoes are so well recognized.

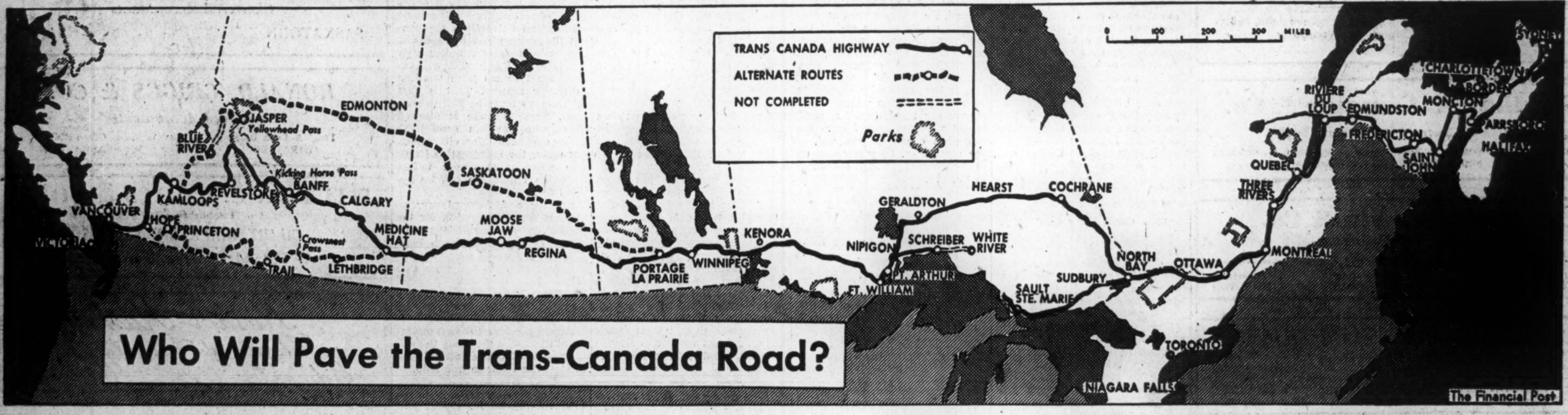
And despite extreme claims made for other shoes—Dack's today offer greater value than ever before.

Dack's
SHOES FOR MEN

SHOPS OR AGENCIES IN PRINCIPAL CITIES

The Financial Post

Vol. XLII | Member of Audit Bureau of Circulations | Publication Office: Toronto, April 10, 1948 | Fifteen Cents an Issue, Five Dollars a Year | No. 15



Who Will Pave the Trans-Canada Road?

What's Stirring Up Dust Over Trans-Canada Highway?

Here's An Up-to-date Report On State of 4,200-mile Road

By WALLACE GILLESPIE

Ever since the label "Trans-Canada Highway" became affixed to a set of interlinking provincial roads, there have been as many arguments concerning the highway as there are types of road surfacing upon it.

Just over four years ago, when they cut a long-missing bit of roadway through the Northern Ontario claybelt, it became possible to drive an automobile from Atlantic to Pacific without leaving Canadian soil. There was an official ceremony. But, is the "Trans-Canada Highway" completed? Like everything else concerning this project, that's open to argument.

Each province built its section of what is called Trans-Canada Highway to meet local or provincial needs. The Federal Government helped out at one time, and, while the nation-building aspect of the highway may have been part of the picture, unemployment relief was a more immediate objective. Thus, amid all the talk, it's debatable whether the labelling of these roads has brought about the spending of a single extra dollar, solely for the purpose of "Building the Trans-Canada."

Completed? If you accept this interlinking of provincial roads—one of which was begun by New France centuries ago—as the "Trans-Canada Highway," then you might say so. But, if you have in mind an all-weather pavement stretching from coast to coast, you'll have to wait until 1960 or later—that is, computing on the rate of paving which has marked the last couple of decades.

The trouble is that it's hard to say a highway is completed in the same way that a railway may be completed. That all-weather type of pavement, for instance, runs you into construction costs which may total $75,000 a mile, without taking into account special obstacles such as bridging, etc. To bring the entire 4,200-mile route up to the standard of its best sections would involve a total investment of perhaps $400 millions.

West Wants Federal Aid

Who should pay such sums? The answer follows the familiar pattern of most Dominion-provincial problems. The loudest clamor for substantial federal participation in Trans-Canada financing arises in the western provinces where unpaved mileages are proportionately great and populations proportionately small. Ideas on how much the Federal Government should pay vary considerably. Some say "50% of construction costs"; others go whole hog and say "100% of construction costs plus 50% of maintenance costs."

Viewpoint of the older, more populated provinces of Central Canada is not entirely divorced from the suspicion which pervades their viewpoint on other Dominion-provincial problems: that their citizens cannot possibly gain any more than they lose under such arrangements. In Ontario's case, for instance, the suspicion takes the form, not of direct opposition to the idea of Dominion-provincial sharing in Trans-Canada financing, but of certain protective terms and conditions for such a scheme. These are conditions upon which Ottawa and Toronto do not see eye to eye.

Only place where the provincial viewpoint may vary from the familiar pattern is in the Maritimes. Nova Scotia, for example, is more vocal about other facets to the Dominion-provincial problems. She's a long-settled province; has most of the construction work along this particular route finished and almost entirely at her own expense. Other provinces, says one Nova Scotia official, should do likewise.

In the House of Commons last July, M.P.'s from Western constituencies put up a concerted barrage for Federal aid. One of the grounds cited was that it was no more logical for a locality to pay the cost of a section of the Trans-Canada Highway passing through it than to pay the cost of a railway going through it. In reply to a question from a Saskatchewan member, Hon. C. D. Howe, then minister of reconstruction and supply, said:

"The Government has from time to time given assistance to the provinces in the building of highways. As far as the Federal Government is concerned, the decision has rested in part on the level of unemployment. When the unemployment situation was beyond the power of the provinces to deal with, the Government has joined with the provinces in a program of public works. Naturally, the program of a Trans-Canada Highway has had an important place in such programs.

"My hon. friend knows that a new financial agreement has been made with certain provinces, which has placed those provinces in a better financial position than previously. It has not been possible to obtain agreement with all provinces on a program of public development. At the moment, the Government is not in a position to make any commitments as to when or whether it will join with the provinces in a program for the Trans-Canada Highway."

Last month a Western delegation interviewed five Cabinet ministers. There is no evidence yet that the Federal Government's policy differs from that outlined in Mr. Howe's statement above.

Where Would Highway Go?

The most unified chorus for a federally aided Trans-Canada Highway arises from the same Western provinces where is found the greatest disunity as to the highway's location.

Look to the Canadian Rockies for an explanation. Even if there were no existing roads or towns in the area, that continental backbone would limit the possible selection. The number of routes capable of railway or road development can be counted on one hand—and the best known of these are the three "passes" already selected by the transcontinental railways. The main line of the Canadian Pacific Railway (via Banff) uses Kicking Horse Pass. The main line of the Canadian National (via Jasper) uses Yellowhead Pass; and the CPR Kettle Valley Line (via Fernie) uses Crowsnest Pass.

Some highway development is now to be found in each of these passes, and it is along these that the "storm" winds blow fiercest.

Right now, the one through the Kicking Horse Pass (shown in unbroken black line on the map) comes closest to being the official Trans-Canada Highway. Alberta's highway authorities haven't risked saying so, but it happens to be the only one which connects up with what Alberta's two neighbours consider to be the "Trans-Canada Highway."

Saskatchewan braves the displeasure of its northern cities by stating that its link of Trans-Canada is the one which extends across the southerly part of the province, serving Regina, Moose Jaw, and Swift Current. On the other side, British Columbia authorities say that its Trans-Canada link is the one which goes around the Big Bend of the Columbia River toward Banff. The route south of this (shown in broken black lines and using the Crowsnest Pass) is called by B. C. authorities: "the southern transprovincial highway." The same authorities call the route north of this (also shown in broken black lines, but the Yellowhead Pass), the "northern transprovincial highway."

For no other purpose but simplicity, therefore, the situation can be summed up as follows: There is a Trans-Canada Highway through the Rockies: it uses the Kicking Horse Pass (Banff). On either side are roads which we will call "alternative routes." These alternatives are vigorously championed, and a few of the arguments will be sketched now.

The Yellowhead Route

If volume of correspondence and number of resolutions is any criterion, the most active group now trying to influence Trans-Canada Highway development is a group headed by Mayor H. D. Ainlay of Edmonton. Its name is the Trans-Canada Highway System Association (Yellowhead Route). It was organized in the spring of 1947, and its latest statement of policy follows:

"Although this Association favors, and intends to press for the construction of a Trans-Canada Highway through the Yellowhead Pass first, its purpose is also to induce the various governments to formulate an over-all highway policy to be administered by a highway commission similar to that which functions in the United States. After that has been accomplished, competent engineers should determine which of the three routes through the Rocky Mountains should be developed first."

The group has, however, no real doubts about what the choice should be. It sets forth the following points in favor of developing the more northerly route (which requires much improving and which has an actual gap from a point south of Swift Creek to a point north of Blue River).

1. "The Athabasca Trail" became a commercial highway long before the engineer and surveyor arrived, but when they did arrive, they confirmed the wisdom of those who had preceded them and urged that the first transcontinental railway be routed through the Yellowhead Pass. Political expediency alone dictated otherwise.

2. Edmonton, "the only Canadian metropolitan centre with direct rail outlets to each of our Pacific ports (Vancouver and Prince Rupert); and with its rail and highway connections . . . with the strategically situated northland including Yellowknife and Port Radium" is the logical pivot for such a highway system.

3. The Winnipeg-Saskatoon-Yellowhead route would make more accessible four great National Parks and five more provincial parks namely, Riding Mountain, Prince Albert, Elk Island, and Jasper National Parks and Lake Maniteu, Robson, Hamber, Wells Gray, and Tweedsmuir provincial parks which, presently, have no highway facilities.

4. It does not encompass any detour of 190 miles to traverse 90 miles distance, such as that on the Big Bend Highway (Kicking Horse Route), and "unquestionably," the Yellowhead route can be kept open in winter because snowfall over its length is comparatively light.

The association envisions the highway forking after it passes through the mountains. Shown on the map is the branch which would go south to Kamloops and thence on to Vancouver. In addition, says the association, there should be a still more northerly branch (not shown) to Prince Rupert. On the latter, however, there is quite a substantial gap en route to Prince George in the B. C. interior.

Want National Commission

What the association really wants is a networks of roads serving and developing the Canadian West. How can this be accomplished? Appoint a National Highway Commission, says the association, giving these reasons:

1. Canada's highway problem is Dominion-wide and very complex. A Highway Commission could formulate a highway policy which Canada sorely needs; could co-ordinate Canada's strategic military and commercially feasible highway requirements; could standardize construction specifications and consolidate the present piecemeal projects of the provincial governments.

2. A Highway Commission, by following the findings of capable engineers in the matter of route selections, could eliminate partisan strife among rival communities; could strengthen the bonds of unity between the widely diverse geological divisions from east to west across the Dominion.

3. A Highway Commission could establish an equitable financial ratio arrangement between the federal and provincial governments; could plan and institute a long-range construction and maintenance program progressively through the years, regardless of good times or bad.

Now, look south to the Crowsnest. This route runs across southern Alberta and British Columbia pretty close to the U. S. border. It crosses the Rockies at 4,450 ft., compared with 3,717 ft. for the Yellowhead route and 5,337 ft. for the Kicking Horse Pass. The claim familiar in all these mountain passes—that they have less snow obstacle than their neighbors—is made again here.

This is the route which B. C. authorities call the "southern transprovincial." There are others along the route, however, who prefer to call it "Southern Trans-Canada," and are promoting its advantages as an alternative to the other two already discussed.

So far as elevation is concerned, this most southern route meets its greatest obstacle, not in the Rockies, but in the mountain chain immediately to the west. The road from Trail to Grand Forks (30 miles west) crosses two summits, one at 4,400 ft. and the other at 5,400 ft.

There is a better route through these mountains which involves no elevations above 3,200 ft. It requires, however, a diversion into United States territory for a distance of five miles in depth and 30 miles in length. Rossland Junior Board of Trade has been sponsoring the unique idea of Canada building this bit of highway through United States territory. It has at least impressed provincial authorities with the idea, since B. C.'s Works Minister E. C. Carson recently announced that arrangements have been made to put a survey party in the field. Final approval would involve negotiations on a diplomatic level between Ottawa and Washington.

This proposed "Victory Highway" would greatly enhance the attractiveness of this southern route. It is now possible to drive a car through from Medicine Hat to Vancouver via this southern route, but its scenic attractions are lost when some motorists, used to more level roads, become frightened amidst switchbacks, steep-cut banks and ravines. At one point a short ferry trip is required across Kootenay Lake. Farther to the west there is a six-mile gap in the highway between Princeton and Hope, though progress is being made on its completion. Meanwhile it is possible to travel from Princeton to Hope over a longer route of provincial roads not shown in the map.

What About Ontario?

Thus, from the standpoint of both financing and routing, the Trans-Canada Highway issue is hottest in the western provinces. There may, however, still be some warmth in Ontario's routing troubles. Ask where the Trans-Canada link is in Ontario, and you'll get an answer somewhat like this:

Years ago, before there was any Canadian road connection between Southern Ontario and the western provinces, a route for the Trans-Canada Highway was designated. It was to run around the north shore of Lake Superior from Sault Ste. Marie. Some federal money was spent on it, largely for relief purposes, but the most difficult section of this route has never been cut through, even to this day.

Meanwhile to the north, through Ontario's claybelt, provincial roads were knitting closer together. There was a 157-mile gap between Hearst and Geraldton. To complete it involved less engineering difficulties than to cut through the igneous rock north of Lake Superior. The route was finally cut through in 1943, and today it is the only route between Canada's East and West.

Because of the very practical advantage "You can drive along it," some motorists' maps label this northern claybelt route, "Trans-Canada Highway." Thus, there are virtually two Trans-Canada routes through Ontario: one which was officially designated some 15 years ago, but never cut through; and one which has gained its designation unofficially but which nevertheless will carry your automobile across the province.

This situation doesn't realize the hopes of the people of Sault Ste. Marie and Sudbury. The Government's explanation is simply this: The CPR ran into some of its most costly mileages when it built its line through this formidable northern shore. There was a time, in fact, when the costs seemed almost too much for the young railway to bear. Rather than run taxpayers into highway expenses of similar proportions (there is a 160-mile gap between Montreal River and White River, while the 90-mile road from White River on to Schreiber is tortuous and unpaved), would it not be better to concentrate on improving the road already laid? There is much tourist potential on the other side of the Sault: a good road might bring more of it in through this gateway en route to Ontario's playgrounds.

The long northern route puts a surprising large slice of Trans-Canada mileage within Ontario's boundaries—no less than 1,386.4 miles of which 505.4 miles are paved and 881 unpaved (including oiled gravel).

More Road, Fewer Arguments

Eastward to the Atlantic, the road improves and arguments subside. Between the Ontario border at Point Fortune and the end of the highway at Louisburg on Cape Breton Island is a distance of 1,150 miles. All of this, except a section now being reconstructed in Nova Scotia, is paved.

Some trace of the routing troubles of the past still lingers on. There can still be found in Quebec, for instance, those who think that the route from Levis to Montreal should be entirely south of the St. Lawrence River. Then, too, there are those who feel that the Trans-Canada Highway should not leave the Province of Quebec until it crosses over to Ottawa from Hull.

A decade ago, New Brunswickers could be excited over the routing in that province. At one time it had been proposed that the Trans-Canada cross the northeastern part of the province ending up around the Baie des Chaleurs. If this had been done, it would have followed the road which connects Chatham, Bathurst and Campbellton. Instead, the designated route takes in the province's largest city, Saint John, and its capital, Fredericton.

In Nova Scotia the route was designated by order-in-council in 1931. It shuns the capital and principal city, Halifax, and instead stretches out to the most eastern terminus possible, the Town of Louisburg. Thus, the popular conception of the highway as "Halifax to Vancouver" isn't strictly accurate. If Halifax had been chosen as the terminus, the Trans-Canada mileage within Nova Scotia would have been 166. Instead it's 318.

Even Prince Edward Island lays claim to some Trans-Canada mileage. The ferry from the mainland lands at Borden. The capital is Charlottetown. The distance between gives P.E.I. the prestige of being on the Trans-Canada Highway, and in turn, makes the highway a nine-province affair.

To those who can suggest still further variants to the routes outlined above, an engineer offers this comment:

"The engineering problems of this thing are really quite simple; it's the human problems that are difficult."

Why I Left Britain to Come to Canada

The author of this article was a special correspondent for many years for British National Newspapers. He served 6½ years as an infantry officer in the Second war, winning the Military Cross. At 37 he decided to come to Canada. He is now working in Ontario for the Kemsley chain of British Newspapers.

By McKENZIE PORTER

Is there room for three more?

My wife, my nine-year-old son, and I, hope so. If there isn't we shall be in a spot. A month ago we sold up in England. A week ago we arrived in Ontario.

Why?

We three left London for the same reasons that the Mayflower sailed and the covered wagons rumbled west to the Pacific Coast. We were victims of one of those social and economic revolutions which seem to give the United Kingdom a good purge every hundred years.

If everything had always gone well in Great Britain the Commonwealth would never have ringed the globe. Those tiny islands off the coast of Europe became the world's once greatest power because folk were always quitting them in a huff. That is what is happening today.

Since the end of the war our modest family property has been squeezed out of us as surely as toothpaste is squirted daily from the tube. We were caught in the growth of an order in which for us there was no room. We were white-collar folk. This is a species the Government likes to reserve exclusively for its own use. Our kind must find protection, privilege and security by jumping on to the bureaucratic juggernaut or be plowed back into the earth. An alternative was emigration.

Here too, there is not so much room for us. But we think there is more room than in England.

Here's Why They Left

Let me show you the economic reasons for our departure. Remember the salaried classes in England earn little more today than they did before the war. Yet the cost of living has risen between 100% and 200%. Here is a comparison in percentage of my prewar and postwar overhead costs:

	1938-39	1947-48
	%	%
Income tax	10	40
Rent	12	20
Food	6	10
Life insurance	10	10
Car	15	—
Vacation	5	—
Son at private school	—	10
	—	—
Total	58	90

Before the war we had 42% of our income for clothes, entertainment, doctors' bills, drinks, smokes, fares, meals out and cash saving. Cigarettes were ten cents a pack, beer five cents a glass and whisky eight cents a shot. We ran a Studebaker car, flew to Paris odd week ends, visited shows and occasional night clubs, employed daily help and had the kind of plumbing which even our United States friends agreed was built for human beings.

Recently not only the remaining 10% of our income has gone on such essentials as clothes and doctors' bills, but a hefty cut off our savings too. We had no car, did little entertaining, and cut out spirits entirely. Cigarettes are 70 cents a pack, beer 15 cents a glass, and whisky, if you can get it, 40 to 80 cents a shot. We paid almost double our prewar rent for a much inferior apartment.

Working-class Income Doubled

People who belong to what is known as the working class now earn double to treble their prewar incomes. Yet through the Rent Control Act, cheap subsidized food, free schooling, free medical services, unemployment pay, guaranteed old-age pensions, and the fact that income tax does not begin to hurt until a man passes the $2,000-a-year mark, their overhead has increased little.

Never in their lives have the laborers and skilled craftsmen had so much money. And never has it done them so little good. For apart from essentials there is little to buy.

High Taxes Kill Initiative

In consequence of this scrambling for Utopia an entirely unexpected situation has hit the Labor Government a slap between the eyes. Instead of working to consolidate their gains, industrial employees tend to sit back after putting in a five-day week. For this they are not entirely to blame. By working overtime they creep up into the heavy income tax grades.

A common wail is: "What's the good of working overtime. It's just paying to keep the Government in."

Take the miners. They have achieved a century-old ambition. Coal is nationalized. But those rocky little characters now find the State a more perfidious boss than the old "bloated plutocrat.". The cheeseparing capitalist was hard. But he was flesh and blood. He was an individual with whom they could argue. He stood to lose through a strike just as they did.

Bureaucracy Is Boss

But the state as an employer is a laborious and complex machine. When the miners feel themselves wronged there is no one on whom they can put the bite. Before, they could leave one pit for another with a different boss. Today the boss is any one of a thousand pen-pushers hiding among files festooned with red tape and scampering away from responsibility like rabbits to a bolt hole.

Today they are little better off than the bad old days. And they do not fail to note that there are more executives' automobiles in the pit yards than ever.

And so Britain's greatest potential asset is chipped halfheartedly out of the bowels of the earth.

Losses on state airways last year were a national scandal. The newly nationalized railways are expected to show at the end of this year an enormous deficit. Yet the steel industry which still is fighting for its freedom, bursts production records daily.

The socialist experiment has proved that this system has no flexibility and runs down as surely as a clockwork engine. No individual shoulders personal risk in enterprise. Enterprise pays no dividends to individuals. Therefore such enterprise as is shown is sporadic, erratic, and frequently rash.

Controls Breed Controls

Controls breed controls. There are thousands of new regulations of which the public is not aware. It is impossible for the average individual to go through a week without breaking one law or another.

We are not alone in feeling frustration and irritation at these goings on. For every 10,000 immigrants to Canada and the other Dominions that are 20,000 who would leave were it not for family ties.

20 Million Must Emigrate

A good thing too. The United Kingdom is no longer the workshop of the world. Until it sends out 20 millions to the sister countries there can be no real economic salvation, for now it is imperative she become self-supporting and independent of the West for food.

Why did we choose Canada? Because Australia and New Zealand are too far away from our parents. South Africa I have visited and though it is magnificent I think the way of life too sharp a change for people of our years.

Further my wife had relatives in Toronto, great people who have given us shelter until we can make a home of our own.

These are the sensible and material reasons for our choice of Canada. But I am glad to say that ever since I ruined my eyesight with a torch under the sheet at night reading of cowboys and Indians, I have a blazing and unquenchable urge to come to these vast spaces and breathe.

I have written harshly not of the land in which I was born but of its current Government. I believe my home country is preparing now to throw off this well-meaning but intellectually mediocre authority. In concert with the still free western European nations she will rise once more, within the next five years, to be the bastion of truth and liberty in that troubled old world.

Not in a thousand years has her standard been trampled in the mud. Not in another thousand will it fall. Today she is in peril again, a peril but 250 miles from her shores. But she will stand fast.

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How Can DP's Join Professions Here?

Here's Score for Doctors, Lawyers, Engineers, Etc.

Among the 5,000 Displaced Persons brought to Canada so far have been doctors, lawyers and members of the other professions. They're serving out on farms, in mines, the year called for in their agreement to come to Canada. But what then?

Many of these DP's possess high academic qualifications, technical or scientific skills. Can they look forward to returning to their own professions here in Canada?

With the exception of the teaching profession which demands that teachers in public schools be British subjects, the professions would accept these DP's.

How Could They Qualify?

By satisfying the councils of the various professional associations and societies that they possess qualifications equivalent to the minimum standards for Canada set by the various bodies.

When Could They Qualify?

Depending upon the length of postgraduate or refresher courses required to bring them up to the necessary standards, and their ability to comply with all the regulations of the various professional controlling bodies.

Here's what they're up against:

Doctors — Must meet high standards of Canadian Medical knowledge.

Teachers — Must be British subjects to work in public schools; Possibilities in private schools or universities.

Lawyers — Must learn Canadian legal practice and meet special requirements in the various provinces.

Accountants — Business practice in Europe quite different to methods in use here.

Nurses — Acceptable if able to prove abilities equal to minimum standards required in Canada.

Engineers — High standards required. Many language difficulties because of technical terms.

Pharmacists—Applicants would be considered on their merits but high standards are demanded and unfamiliarity with language would be definite barrier.

Here's how Canadian doctors look at the problem:

In the opinion of the Canadian Medical Association, the refugee doctor who measures up to the minimum standards set by the Association, may find the ultimate answer to his problems in some of the rural areas, but they point out that since the start of the war, of 60 refugee doctors admitted to Canada, only five are today in rural practice.

A doctor whose medical degree has been obtained anywhere in the world can establish himself in a Canadian province provided that he enters the country legally, obtains an enabling certificate, passes the examinations of the Medical Council of Canada and registers this qualification.

In the Other Professions

And so it is in most of the professions in Canada where a very definite standard has been fixed below which applicants will not be enrolled.

Pharmacists, teachers, accountants, lawyers all have their strict professional codes, shaped to protect the general public as well as the professions themselves from exploitation at the hands of incompetent or otherwise undesirable practitioners.

Only recently, an official of the Ontario College of Pharmacy told the Financial Post, a young woman from Latvia called and said that she had been a qualified pharmacist in her homeland. But she had a very poor knowledge of English which made it impossible to consider her, at the present time, at least, for membership of a profession which demands much more than a mere working knowledge of our tongue.

There had been several other visitors during the past few months as well, the official said, some of them pathetic cases, frustrated, anxious to resume their calling, but quite unacceptable for various reasons.

"But," he said, "if a person can prove himself to have the necessary qualifications, I do not think our profession would put up any objections based on their nationality or their unfortunate background. Each case would be considered on its merits and if the applicants proved themselves possessed of our minimum standards of professional capacity, they would be admitted."

It is the same with nurses. In fact, the profession which is seriously short of capable staff, would welcome nurses from the European countries provided, in the same way, they measure up to the profession's high standards in Canada.

Mrs. W. H. Clark of Toronto, vice-president of the YMCA, who has welcomed D P girls to Canada's shore, said that qualified nurses, as such, were not being brought out under the present government schemes. Some of the 1,100 girls who have come here to work as domestics and in other unskilled phases of hospital life, have claimed professional qualifications.

Mrs. Clark, who recently completed a tour of the institutions in the Maritimes and in Ottawa where numbers of these girls are employed, told The Financial Post that the majority of the girls were happy and settling down well in their new lives.

"Some of the girls had high hopes of establishing themselves on a higher plane of employment on the expiry of their contracts," Mrs. Clark said. "One of them told me that she was a qualified dentist, two others said they had completed two years of a medical course and another claimed to be a laboratory specialist.

"The Government has been generous up to a point. It has provided these girls with an honest job and a roof over their heads for a year. But what happens when that year is up? I would like to see something still a little more open-hearted being done for them in the way of granting them facilities for the development or redevelopment of the special knowledge and the skills which they possess, so that these qualities would not be lost to science in general and to Canada in particular."

DP.s who in former years may have been teachers will possibly find opportunities in private schools and universities throughout the country but there is one requirement which, unless new legislation is introduced, will debar such teachers from working in public schools. That is that all teachers must be British subjects. Some latitude is allowed those who have in good faith made application for citizenship, but under the Immigration Laws, five years must elapse before Canadian citizenship can be applied for.

In Law and Accountancy, no obvious possibility exists for the absorption of any DP practitioners because legal and business practice differs so completely in this part of the world from that followed in northern European countries. The time and money required for a man to equip himself for such a career would effectively preclude the vast majority of those who are likely to avail themseves of Canada's invitation to start life anew in this land.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

COLONIAL STEAMSHIPS LTD., Port Colborne, Ont. net profit for 1947 of $360,719 was nearly 2.3 times the 1946 figure of $156,920. Working capital is up about 45%.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$828,729	$338,022
Less: Deprec.	143,010	71,102
Inc. tax prov.	325,000	110,000
Net profit	360,719	156,920
Less: Divds.	150,000	150,000
Surplus for year	210,719	6,920
Earnings per Share and Dividend Record:		
Common	$12.02	$5.23
Paid	5.00	5.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$1,626,284	$1,041,193
Accts. rec., etc.	89,401	46,641
Life ins., c.s.v.	13,750	12,250
Inventories	37,970	29,035
Total curr. assets	1,767,405	1,131,119
Misc. assets▲	482,514	476,619
Invest. in subsid.	6,800	6,800
Fixed assets*	764,010	836,645
Total assets	3,020,729	2,452,183
Accts. and tax pay.	392,802	152,832
Conting. res.	100,000	100,000
Total curr. liab.	492,802	252,832
Replace. res.	1,000,000	1,000,000
Capital stock	30,000	30,000
Surplus▲	1,497,927	1,169,351
*After depr. of	839,604	797,901
▲Incl. ref. EPT	458,000	458,000
Working capital	1,274,603	878,287

BERENS RIVER MINES states in its 1947 report over the signature of President John Dryborough, that "the mine situation is critical" and "failing very favorable ore exposures in the next two months, the end of the mining operation is in sight."

A loss of $403,065 was experienced in 1947, reflecting a lower price for silver and a lower average grade of ore treated.

Results at depth are stated not to be sufficiently encouraging to warrant opening of the 3,200-ft. level. In the new No. 2 shaft area, development was to be completed the end of March unless more ore was found. No additional results of interest have been found in work on No. 3 vein at the 1,550 level.

Working capital was reduced to $848,102 in 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Bullion production	$384,491	$843,113
Less: Oper. exps.	680,922	679,965
Operating loss	296,431	▪163,148
Less: Other inc.	18,720	6,283
Sec. sale prof.	10,161	......
Add: Deprec.	59,995	96,156
Explor. exp.	9,244	4,756
Prepaid develop.	66,296	58,745
Taxes	......	4,520
Net loss	403,065	▪15,344
Less: Dividends	......	100,000
Deficit for year	403,065	84,756
▪Profit.		
Earnings per Share	d$0.202	$0.008
Paid	....	0.05

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & mkt. secs.	$395,418	$991,320
Conc. & prec.	127,712	129,498
Accts. rec.	12,297	31,141
Supplies	356,162	191,043
Total curr. assets	890,589	1,343,002
Misc. assets	22,514	26,651
Def. devel.	312,293	219,446
Mining prop.	55,350	55,350
Bldgs. & equip.*	282,601	321,781
Total assets	1,563,347	1,966,230
Total curr. liabs.	42,487	42,285
Capital stock	1,050,005	1,050,005
Earned surplus	470,855	873,940
*After depr. of	950,332	890,337
Working capital	848,102	1,300,717

OPERATING STATISTICS

	1947	1946
Tons milled	‡27,395	*41,925
Average recov.	$14.04	$20.11
Ore reserves, tons†	30,000	50,730
Grade (gold) oz.	0.22	0.25
(Silver) oz.	10.0	12.1

‡Period June 1 to Dec. 31. *11 Mos.
†Below the 2,700-ft. level.

RUSSELL INDUSTRIES 1947 net profit was up 49%. During the year expenditures of $641,576 were made by the company's subsidiaries, Canada Cycle & Motor Co. and Canadian Acme Screw & Gear and their subsidiaries for capital purposes and for equipment for new lines of business. Consolidated working capital of the company as at year end amounted to $5,971,642 as compared with $5,437,784 at end of 1946.

"Having regard to the unsettled situation abroad it is difficult to forecast the future," President H. R. Tudhope states, "but indications are for continuing active business for the company's operating subsidiaries."

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,406,788	$1,765,164
Less: Deprec.	425,382	351,718
Income tax	841,810	602,409
Pens. fund	54,275	50,000
Net profit	1,135,311	761,037
Less: CCM pref. divs.	......	29,950
Pre. on CCM shs. red.	......	29,950
Russell pref. divds.	5,833	8,286
Russell com. divds.	323,376	282,832
Surplus for year	806,102	439,919
Earnings† per Share and Dividend Record:		
Preferred	$1,396.45	$791.35
Paid	7.00	7.00
Common	1.74	1.07
Paid (new)	0.50	0.30
Paid (old)	....	0.40

†After CCM divds. and premium.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$514,683	$712,170
Accts. rec.	1,761,754	1,286,998
Investments*	1,950,472	2,005,306
Inventories	3,643,976	2,933,220
Total curr. assets	7,870,885	6,938,694
Miscel. assets▲	614,360	536,063
Fixed assets†	2,449,135	2,226,156
Total assets	10,934,400	9,700,933
Accts. pay.	1,389,675	1,141,365
Tax reserve	509,568	359,545
Total curr. liab.	1,899,243	1,500,910
Pension res.	329,469	345,000
Conting. res.	1,079,689	1,040,691
Capital stock	1,700,000	1,700,000
Surplus▲	5,925,999	5,114,332
*Market value	1,987,000	2,067,000
▲Incl. ref. EPT	438,666	438,666
†After depr. of	4,697,417	4,355,046
Working capital	5,971,642	5,437,784

NORTHERN TELEPHONE CO. 1947 net profit was off 21.8%. A substantial increase in revenue was offset by a much larger proportionate increase in expenditure, due to increased wage and material costs. There was a net increase of 1,440 telephones in the year. This would have been much larger had the company been able to obtain delivery of switchboard equipment on order and promised.

Heavy capital expenditures will be necessary for the large amount of new equipment on order, and also for replacements and extensions which could not be made during the war years. Directors have under consideration an increase in capital and an offering of shares to shareholders.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Gross earnings	$965,074	$896,686
Net earnings	197,542	236,345
Less: Deprec.	95,759	88,515
Int. on notes pay.	2,707	584
Income tax	36,658	67,416
Net profit	62,418	79,830
Less: Dividends	47,799	47,799
Surplus for year	14,619	32,031
Earnings per Share and Dividend Record:		
Earned	$0.13	$0.167
Paid	0.10	0.10

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$200,368	$209,271
Accts., etc., rec.	93,908	86,751
Inventories	28,193	34,371
Total curr. assets	322,469	330,393
Fixed assets*	917,586	834,547
Total assets	1,240,055	1,164,940
Accts. & tax. pay.	205,989	160,579
Other curr. liab.	34,807	32,521
Total curr. liab.	240,796	193,100
Unearn. rentals†	60,167	47,366
Capital stock	477,960	477,960
Surplus	461,132	446,514
*After deprec. of	1,010,012	951,463
Working capital	81,673	137,393

†Shown as current liab. in co's. report.

KENVILLE GOLD MINES mill treated 2,411 tons of ore for bullion production at $29,000 from Feb. 23 to Mar. 21. Operating expenses for the period were estimated at $27,000.

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KENT BUILDING — TORONTO
Phone: WAverley 6460

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Position of Chartered Banks of Canada as of February 28, 1948, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation $	Deposits by and Bal. Due to Dominion Government $	Deposits by and Bal. Due to Provincial Governments $	Advances from Bank of Canada Secured $	Demand Deposits in Canada $	Savings Deposits in Canada $	Deposits in Canada in currencies other than Canadian $	Deposits Elsewhere $	Bal. due to other Banks in Canada $	Due to banks in U.K. $	Due to Banks Elsewhere $
Montreal	4,589,008	50,814,358	28,939,838	......	562,411,353	934,327,132	12,087,925	128,329,810	2,197,523	11,880,981	28,904,835
Nova Scotia	1,639,629	12,029,976	1,242,273	......	161,437,065	331,343,572	5,058,388	104,708,636	5,520,685	1,899,055	4,181,471
Toronto	651,806	5,912,748	1,117,127	......	111,090,920	234,869,870	1,296,723	......	807,714	3,605,720	1,400,131
Provincial	316,368	1,675,290	465,557	......	28,444,927	108,775,802	170,434	......	116,858	7,181	71,225
Commerce	3,740,921	21,880,602	23,843,934	......	378,617,662	730,315,137	7,578,325	95,780,230	3,499,101	6,794,699	10,371,610
Royal	4,610,232	19,501,667	24,622,971	......	555,338,969	835,621,046	40,962,402	373,959,846	9,183	7,391,123	59,529,455
Dominion	661,059	7,343,650	1,470,851	......	99,426,199	190,754,042	5,899,320	10,408,599	3,802,285	1,459,947	1,545,873
Nationale	664,217	1,839,688	3,461,879	......	81,860,695	272,854,485	717,075	......	2,934,591	57,238	1,369,628
Imperial	832,567	7,192,632	22,479,861	......	119,920,021	232,547,134	1,662,593	......	3,136,854	3,182,117	2,970,405
Barclays	83,335	3,995,611	8,096	......	6,878,227	9,139,566	2,613,896	......	161,358	4,442,332	2,808,002
Total	17,818,238	132,917,247	107,653,286	......	2,105,426,038	3,880,547,476	78,052,980	728,187,121	21,686,152	40,670,393	113,152,330

NAME OF BANK	Letters of Credit outstanding $	Other Liabilities $	Dividends Declared and unpaid $	Reserve Fund $	Capital Paid Up $	Total Liabilities $	Capital Authorized $ (Supplementary Information)	Capital Subscribed $	Last Dividend %	†Loans to Directors and firms of which they are partners $	Greatest Amount of Notes in Circ. $	Bills rediscounted with Bank of Canada $
Montreal	28,787,676	501,221	743,269	44,000,000	36,000,000	1,884,464,850	50,000,000	36,000,000	8	567,204	4,629,318	......
Nova Scotia	30,348,194	655,010	15,716	24,000,000	12,000,000	697,068,676	15,000,000	12,000,000	12*	2,012,632	1,842,499	......
Toronto	5,969,590	33,122	181,628	14,000,000	6,000,000	386,438,114	10,000,000	6,000,000	12	412,845	657,236	......
Provincial	1,137,193	20,606	68,480	2,000,000	4,000,000	147,295,522	5,000,000	4,000,000	6	33,328	342,098	......
Commerce	46,068,600	572,298	66,843	30,000,000	30,000,000	1,368,839,667	50,000,000	30,000,000	8	791,324	3,777,614	......
Royal	71,438,653	2,539,981	937,960	40,000,000	35,000,000	2,071,484,447	50,000,000	35,000,000	10	1,360,593	4,650,104	......
Dominion	10,841,664	222,903	6,357	10,000,000	7,000,000	350,842,654	10,000,000	7,000,000	10	123,012	668,304	......
Nationale	2,153,597	49,907	152,358	7,000,000	7,000,000	382,105,358	10,000,000	7,000,000	8	147,134	671,087	......
Imperial	8,999,322	169,333	7,941	10,000,000	7,000,000	420,121,065	10,000,000	7,000,000	10	632,753	861,997	......
Barclays	1,291,150	19,426	......	750,000	1,500,000	33,690,004	1,500,000	1,500,000	......	......	83,675	......
Total	207,035,639	4,803,757	2,180,262	181,750,000	145,500,000	7,763,351,177	211,500,000	145,500,000	......	7,582,018	17,989,732	......

†And loans for which they are guarantors.

*Plus extra distribution of 20 cents per share

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada $	Gold and Subsidiary Coin held Elsewhere $	Notes of Bank of Canada $	Deposits with Bank of Canada $	Notes and Cheques on Other Banks $	Govt. and Bank Notes other than Canadian $	Balances due by other banks in Canada $	Due by banks in U.K. $	Due by banks elsewhere $	Dom. Gov. Short Term Sec. $	Dom. Gov. Long Term Sec. $	Prov. Gov. Short Term Sec. $	Prov. Gov. Long Term Sec. $	Canadian municipal securities $
Montreal*	2,662,960	63,155	32,468,500	154,339,852	65,780,617	1,190,532	4,755	5,690,059	29,206,241	161,685,754	559,527,386	44,457,392	104,097,826	30,695,282
Nova Scotia	824,926	1,026,971	13,743,946	35,080,220	19,164,051	21,888,638	......	222,671	13,003,620	81,172,235	152,369,740	4,889,232	14,974,558	7,288,940
Toronto	580,568	......	7,084,994	32,246,109	11,225,594	354,930	......	1,431,492	5,492,651	39,412,642	119,890,842	2,722,631	16,417,064	6,608,794
Provincial	372,366	......	3,687,390	12,242,747	5,951,752	112,280	15,557	......	1,639,477	19,017,357	25,463,531	2,119,136	21,836,212	6,322,991
Commerce†	1,871,990	157,475	22,232,547	98,721,307	29,513,513	1,569,397	2,653	1,873,001	28,797,243	91,508,504	462,831,013	16,475,064	50,844,201	20,846,836
Royal	3,712,871	1,856,845	31,681,637	121,606,992	62,887,826	76,510,762	10,096	12,788,057	70,005,770	174,134,512	461,337,660	27,012,974	80,073,159	32,546,220
Dominion	530,648	340	4,546,716	26,000,427	10,592,038	292,091	......	1,418,676	5,813,983	47,420,671	75,673,989	643,749	4,847,014	6,608,510
Nationale	1,136,624	......	11,247,777	24,598,649	18,756,541	358,993	4,388,060	110,425	1,813,971	45,846,148	59,655,428	5,903,929	41,018,907	14,681,521
Imperial	698,016	......	5,752,621	23,835,502	11,060,791	403,319	757,988	689,527	6,828,709	46,311,223	105,209,696	2,446,656	5,504,400	6,221,039
Barclays	4,275	......	173,127	3,087,253	487,579	9,830	165,129	803,650	1,525,729	5,098,339	4,152,663	2,007,226	5,989,796	1,065,753
Total	11,304,890	3,094,786	135,769,955	531,759,058	230,369,803	102,690,772	2,344,238	25,027,588	64,127,344	711,102,082	2,026,110,948	108,677,989	345,603,137	132,835,886

NAME OF BANK	Public Securities other than Canadian $	Other bonds and stocks $	Call and short loans in Canada $	Call and short loans elsewhere $	Current loans in Canada $	Current loans elsewhere $	Loans to provincial governments $	Loans to municipalities $	Non-current loans $	▪Real estate other than Bank premises $	Bank Premises $	Deposit of note circulation $	Other assets $	▲Total Assets $
Montreal*	67,137,897	113,917,303	9,646,322	21,025,197	386,105,934	30,293,938	7,434,396	10,502,915	505,915	367,009	14,009,547	272,133	3,582,799	1,888,544,221
Nova Scotia	13,677,297	26,324,425	8,606,122	12,199,710	186,928,902	38,978,158	3,866,504	2,950,030	58,073	10,368	6,670,436	108,351	2,692,757	699,080,643
Toronto	......	17,373,452	5,336,882	......	106,578,626	......	2,053,170	1,860,410	22,978	8,978	4,237,262	37,262	155,455	387,202,682
Provincial	......	4,980,757	4,808,574	......	31,898,686	......	34,867	3,906,370	18,646	133,612	1,594,802	22,121	127,186	147,842,688
Commerce†	49,871,197	48,817,376	14,066,354	5,982,425	325,966,866	37,208,551	8,838,606	6,746,351	363,888	395,536	15,433,230	250,000	4,346,818	1,391,400,358
Royal	126,028,432	133,407,949	15,110,685	28,043,629	401,915,646	115,137,608	3,723,450	6,528,354	276,333	355,046	10,984,161	285,000	6,545,154	2,074,988,694
Dominion	3,234,134	9,191,478	3,255,666	5,549,073	125,646,962	2,067,435	21,095	1,192,842	16,119	25,246	5,601,483	40,688	402,677	351,675,068
Nationale	604,983	13,490,554	3,088,161	......	137,018,700	......	......	5,909,311	19,774	409,830	5,406,605	39,901	454,590	382,562,968
Imperial	......	12,717,136	5,753,123	......	165,785,296	......	184,140	3,049,980	41,431	......	6,056,336	50,077	76,213	421,402,751
Barclays	2,995,130	250,000	317,950	......	3,118,903	......	......	......	530	......	1,288,934	5,538	14,670	33,803,188
Total	263,549,070	380,470,430	69,989,509	72,800,034	1,860,934,501	223,690,680	26,221,068	45,737,063	1,323,892	1,705,627	71,287,786	1,111,078	18,398,318	7,773,073,216

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▪Includes mortgages.
▲Includes $207,035,639 letters of credit outstanding as shown in liabilities.

‡The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada Return.

PROFESSIONAL DIRECTORY

LEGAL

Molyneux L. Gordon, K.C.
259 Dunvegan Road
Toronto 12
Taxation

Thomas M. Mungovan, K.C.
80 RICHMOND ST. W.
TORONTO
Telephone Adelaide 6802

William T. Carroll
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ROBERT E. ANGLIN, K.C.
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Telephones:
ADelaide 6406-7

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CERTIFIED PUBLIC ACCOUNTANTS

L. MOORHOUSE
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22 CROSS STREET Welland, Ont.

FRANCIS H. JONES
Certified Public Accountant
463 SPADINA AVE. Phone MI. 1711 TORONTO

Ernest Tailby
Certified Public Accountant
47 KING ST. WEST KITCHENER, ONTARIO

WRIGHT, ERICKSON, LEE & COMPANY
Certified Public Accountants
66 KING ST. EAST HAMILTON, ONT.

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YOU ASKED US

The Financial Post will provide subscribers as quickly as possible the answers to specific questions about business, taxation, investments, and other subjects. The Post cannot undertake to make predictions, will not express opinion on matters involving individual business judgment or on conditions or investments outside Canada. All communications should be addressed to Business Enquiry Editor, The Financial Post, 481 University Ave., Toronto 2. A four-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. If more than one enquiry is being sent, subscribers are asked to submit each on a separate sheet of paper, to facilitate research work entailed.

INCOME TAX

Wife's Pre-marriage Income

I understand there has been a new ruling recently that when a man marries, his marital status for income tax is decided by the income his wife receives after marriage, and that her income received before the marriage need not be considered. Is this correct?

Yes. Under a new (but it is believed still tentative) ruling the husband's marital status is affected only by the income the wife receives after her marriage. Thus if a wife earned $1,600 before marriage and nothing afterward, she would be taxed as a single person. But her husband would be allowed married status because after marriage she had no income of her own. If she continued to work after marriage the husband's exemption would still be affected only by her postmarriage income. He would be allowed married status unless her postmarriage income, exceeded $750. If her postmarriage income did not exceed $750, but exceeded $250, the husband's income would be reduced by the excess over $250 just as in the case of any other married man.

Streetcar Fare

I am an auditor working for several firms. I am forced to use the streetcar for transportation. Why should I not be allowed to deduct this as an expense in earning my income?

We understand it is all a matter of the conditions under which you work. If you as an auditor are working entirely on your own for fees, then we believe you would be entitled to deduct your transportation expenses. But if you are working for an employer on a salary, then your course would be to put in an itemized expense account. If this is paid by your employer, the proceeds would be tax free.

INVESTMENTS

Commonwealth Int. Corp.

Will you please give me some information regarding Commonwealth International Corp. How long has the company been in operation and what is its financial position? Give me some indication of its portfolio holdings.

Commonwealth International Corp., an investment trust firm, head-office Montreal, has been in business since 1933. The company has had considerable growth in that time and has paid quarterly dividends since its inception. There are some 900,000 shares outstanding, distributed among more than 2,500 shareholders.

Approximate market value of invested assets as at Dec. 31, 1947, amounted to $2,896,698. This was invested 71.87% in Canadian securities, 20.66% in United States securities, and 7.47% in bonds. (For list of portfolio holdings see The Financial Post, Mar. 6 p. 5.) Feature of 1947 portfolio operations was increase in investment in pulp and paper stocks from 9.69% at end of 1946 to 17.45% of entire portfolio at end of 1947. Investments in gold mining jumped from 4.78% to 6.37% of total portfolio. Base metals were up from 9.25% to 11.37%. Biggest cut in investment holdings came in the public utilities where percentage of holdings dropped from 16.39% to 9.13%. Biggest single stock investment was in Consolidated Smelters—5.09% of entire holdings. Dom. of Canada bonds amounted to 7.64% of portfolio.

Market value of company's investment portfolio rose from $427,500 in 1937 to $2,044,384 in 1946 and was $2,896,698 at end of 1947. Net profit for 1937 was $30,930, $79,290 in 1946 and $129,887 for 1947. This equalled 21c a share in earnings in 1937, 16c in 1946 and 19c in 1947. Dividends paid have been 16c a share for both 1946 and 1947 and 17c in 1937.

Distributable surplus at Dec. 31, 1947, was $1,796,365. Total net assets as at Mar. 24, 1948 amounted to $3,025,442. The company's stock was $3.34 bid and $3.67 ask at same date.

Silver Arrow

I haven't seen any information on Silver Arrow published for some time. They were supposed to be just reaching production a few months ago. Can you tell me what has transpired since? What are the ore reserves?

L. C. Herdman, vice-president of Silver Arrow Mines informs us that some difficulty was encountered in placing its Mensilvo property, near Haileybury, Ont., in production with a 25-ton mill, but that adjustments are being made and that officials hope an operating profit of $15,000 might be achieved monthly within about 30 days' time.

The staff at the property is stated to have been reduced to about 12 or 15 men, as compared with 21 previously on the payroll. The company is in some need of further financing, Mr. Herdman says, but he anticipates this will be arranged.

Plans now call for shipments of cobbed ore to a custom mill, but no decision has yet been reached as to where the output would be shipped. As you may recall, the company did not install any flotation equipment or a ball mill. The Wiltsey table put in and the rest of the equipment were designed for the cobbing of ore. There is stated to be about a year's ore supply available on the scale of output proposed, but we have never seen any estimate of ore for this property and doubt if a positive estimate of ore would be feasible at this stage of development.

The company has two other groups of silver properties. Work was done on one of these in South Lorraine, but no commercial results were apparently secured.

Laguerre

Would you kindly tell me what ore reserves are available in the Raven River section of Laguerre Gold Mines? Did work in the new section prove up any reserves before work was suspended?

At the present price of gold, it does not appear that there are any known ore reserves on the property of Laguerre Gold Mines. As you know, the expression "ore" refers to mineralized rock which can be treated at a profit.

Unquestionably, there is a large tonnage of gold-bearing material remaining in the Raven River section of the property (which has a former record of production), but the price of gold would perhaps have to increase from $35 to $70 an ounce before this would be promoted to the ore category. Work carried out in the new shaft section failed to confirm the evidence of ore provided in initial exploratory drilling. The company has sold its mining plant and headframe off the new shaft, and apparently there is no intention of resuming underground operations at this time.

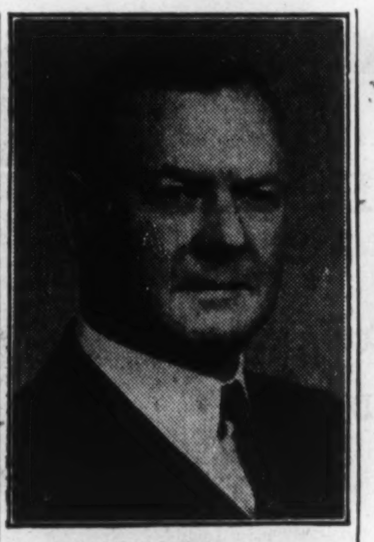
Southmount Investment

I would like some information about Southmount Investment Co. Is there any indication the Province of Quebec plans expropriation of this company?

As far as can be learned there is no action under way by the Province of Quebec to expropriate this company. You may recall, however, that just about a year ago the Quebec Hydro Electric Commission served notice on Southmount to hand over the 510 shares of Keystone Transport Co. which Southmount holds. Hydro, at that time, stated that it was prepared to pay $600 per share or a total of $306,000 for the shares which was the value shown in Southmount's balance sheet as at Dec. 31, 1946.

This demand of Quebec Hydro has not yet been settled and we are informed that no immediate settlement is likely. We are further told that there are several legal points at issue in this matter one of which pertains to provincial jurisdiction in a matter affecting companies holding a Dominion Charter and conducting inter-provincial business.

This question of the Keystone shares is the only thing which is holding up the final winding up of this company, we are informed. Most of the company's assets are invested in short term government bonds and it also holds some other securities. Southmount's annual report is expected within the next 2 or 3 weeks and it is believed that the asset position will be set out then.



W. E. ROBINSON

has been appointed vice-president and general manager of Canadian National Railways Atlantic region (Moncton).

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROYAL CANADIAN OILS production revenue from Nos. 1 and 2 wells was $5,073 higher at $32,976 in year ended Oct. 31, but, after charging $8,130 to exploration expense, final net profit was off $5,646 at $3,485.

President J. Howard Forester states that company owns approximately 1,600 acres in proven or semiproven Lloydminster-Blackfoot area, where two wells have recently been drilled, one of which is in production. The second well is going on production as soon as weather conditions permit. Wells are expected to produce an average of 50 barrels daily.

Company owns a half interest in acreage in Eyot Lake area, where Imperial Oil is currently drilling a test well; a substantial share interest in Leduc Consolidated. Directors are considering financing plans which would permit a reasonable number of wells being drilled in Lloydminster-Blackfoot area.

INCOME ACCOUNT

Years Ended Oct. 31:	1947	1946
Production	$32,976	$27,903
Less: Prod. exp.	8,237	8,498
Operating profit	24,739	19,405
Add: Vantage revenue	3,000	3,000
Less: Gen. exp.	8,263	6,491
Int., disc.	40	......
Depr., depl.	6,206	6,422
Explor. exp.	8,130	......
Income tax	1,615	361
Net profit & surp.	3,485	9,131
Earned per share	$0.0013	$0.0040
None paid.		

CONDENSED BALANCE SHEET

As at Oct. 31:	1947	1946
Cash & Dom. bds.	$22,892	$13,919
Accts. rec.	5,882	4,011
Casing	8,679	7,837
Total curr. assets	37,453	25,767
Investments	60,697	5,500
Deferred chgs.	95	34
Vantage Oils	27,802	33,384
Leases	61,220	71,040
Fixed assets*	465	486
Wells†	104	6,202
Total assets	187,836	142,413
Total curr. liabs.	2,088	676
Depletion res.	50,513	44,328
Capital stock	313,504	278,504
Less: Deficit	178,269	181,095
*After depr. of	31,834	32,033
†After depr. of	305,712	305,712
Working capital	35,365	25,091

SICKS' BREWERIES 1947 net profit was up 25.9%. Consolidated net sales of subsidiary companies were up 4.95% and established a record. Increased revenue from investments in United States brewing companies is reflected in part in the profit figure.

In spite of many delays experienced in obtaining material and equipment there was satisfactory progress on the expansion and modernization plans which calls for expenditures of approximately $4 millions. Headway made during the year is reflected in balance sheet which shows an increase in fixed assets of $772,016. Directors decided to make a special appropriation from earned surplus of $1 million for further commitments. Despite heavy expenditures made on capital account net working capital was up $528,691 at $3,338,501.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$4,191,438	$4,004,829
Less: Deprec.	144,902	123,995
Income tax	1,887,901	2,166,512
Net profit	2,158,635	1,714,322
Less: Com. divds.	761,600	571,200
Surplus for year	1,397,035	1,143,122
Earnings per Share and Dividend Record:		
Common	$2.27	$1.80
Paid	0.80	0.40
Paid (old)*	....	0.80

*Before 4 for 1 split, June 1, 1946.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$2,933,546	$3,135,363
Accts. rec.	49,203	25,043
Life ins. c.s.v.	378,617	354,211
Inventories	1,240,407	942,228
Total curr. assets	4,601,773	4,456,845
Invests.	1,241,054	1,087,948
Misc. assets▲	967,796	960,772
Fixed assets	4,750,178	3,978,161
Total assets	11,560,801	10,483,726
Total curr. liab.	1,263,272	1,647,036
Bldg. approp.	1,000,000	......
Deprec. res.	2,900,116	2,228,090
Other res., etc.	504,373	505,222
Capital stock	2,145,293	2,145,293
Surplus▲	†3,747,747	3,958,085
†After appropriation of $1,000,000 for bldg. and expansion, $562,366 spec. depr. and $54,087 goodwill w/o.		
▲Incl. ref. EPT	910,441	901,361
Working capital	3,338,501	2,809,809

SCYTHES & CO. advises that an additional 25 preferred shares have been purchased for redemption, reducing number of preferred outstanding to 15,345 shares.

ARCHITECTS

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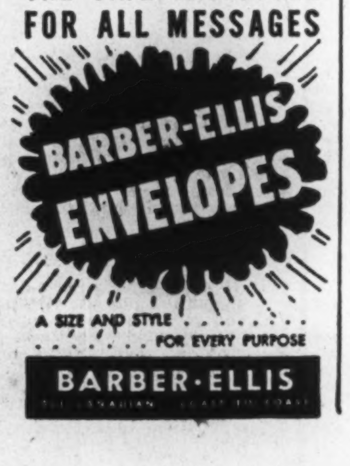

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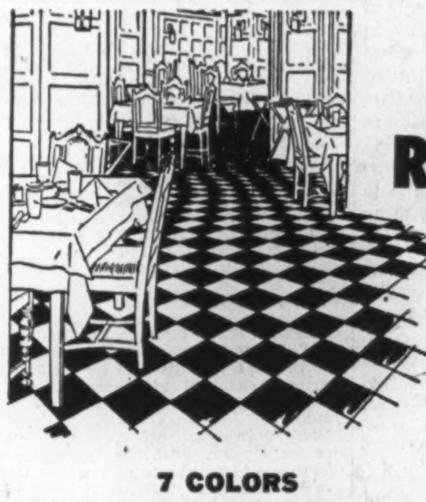

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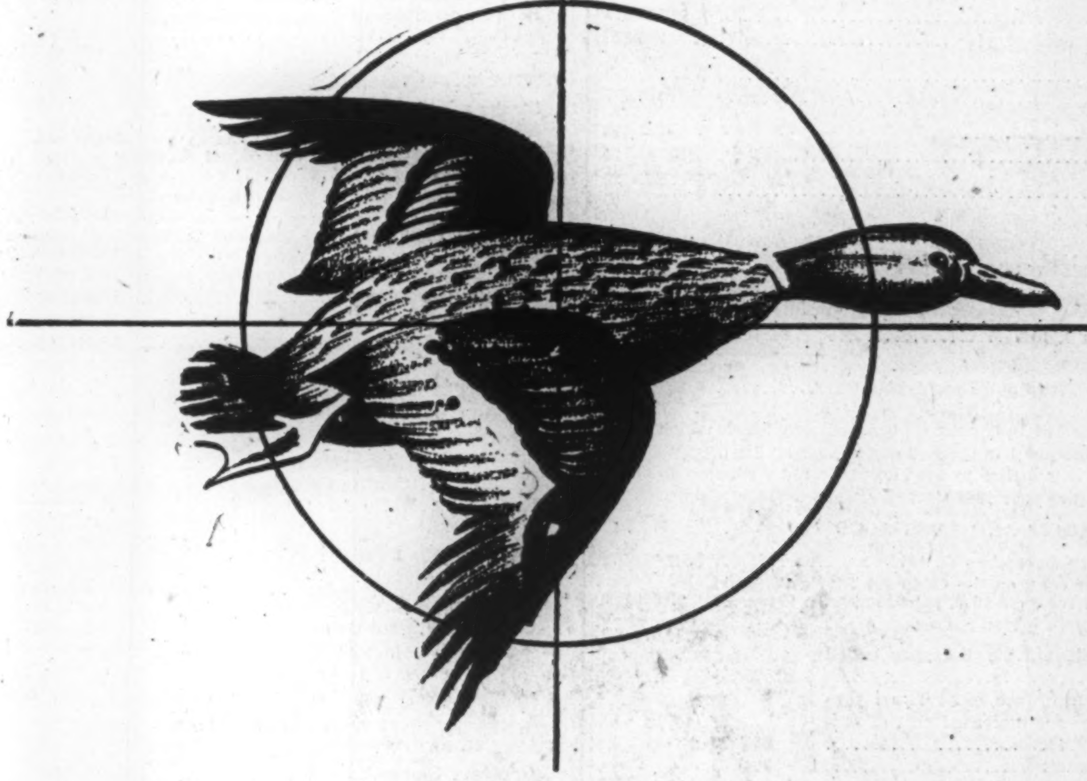

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Canadian Pacific Railway Company

SIXTY-SEVENTH ANNUAL REPORT

OF THE

Directors of Canadian Pacific Railway Company

YEAR ENDED DECEMBER 31, 1947 (ABRIDGED)

To the Shareholders:

The volume of traffic on the railway in 1947 greatly exceeded expectations and established a peacetime record. Among the factors contributing to this were the condition of almost full employment in Canada, the backlog of need for construction materials and durable consumption goods, special efforts to move grain and flour to ocean ports for export, heavy imports in many categories from the United States, and record exports of wood pulp and newsprint paper to that country. Passenger traffic continued to decrease but was still much above the pre-war level.

The application of the Railways for a 30% increase in freight rates filed in October, 1946, was the subject of public hearings throughout Canada before the Board of Transport Commissioners, commencing in February and ending in December. A decision had not been rendered at the end of the year. The Interstate Commerce Commission of the United States meanwhile authorized two increases in freight rates, additional to that authorized in 1946, and the Board of Transport in each instance authorized the application of these increases to international, overhead and certain import and export traffic in Canada. Notwithstanding these increases the average revenue received for hauling one ton one mile in 1947 was 95/100 of a cent only, compared with 93/100 in 1946 and with an average exceeding one cent during the ten years 1920-1929.

Working expenses continued to increase. The general wage increase of ten cents an hour made effective June 1, 1946, was applied for the full year 1947 compared with the seven months of 1946. Applications were received from various groups of employees for higher rates of pay and in certain instances upward adjustment was made, but there was no general increase in wages during the year. The average cost of locomotive fuel in 1947 was $6.75 per ton, compared with $5.99 in 1946; creosoted ties cost $2.04, as against $1.96; and the price of rails was $63.80 per ton, an increase of $3.59. Wage rates averaged 45% more than prior to the war and costs of materials and supplies were far above pre-war levels.

Net earnings from railway operations were again markedly inadequate. A substantial improvement might have been expected from the upward revision of freight rates on the international traffic referred to, as well as from the larger traffic volume. Instead, the increase in gross earnings was almost wholly offset by rising costs; and the ratio of net to gross earnings remained practically the same as in 1946 when an all-time low was reached. It is startling to compare this ratio of but 7.2% with the average of 19.9% for the period 1920-1929, when traffic volume was much less. On the other hand, a betterment in net earnings of Consolidated Smelters resulted in larger dividends from that source which brought Other Income up to a new high record.

The total income available from all sources to meet your Company's financial requirements amounted to $47,681,116, of which the railway—the main undertaking—contributed only 48%.

Fixed charges, lower than in any year since 1928, amounted to $15,787,174. After providing for these and for the four per cent. dividend on Preference Stock, the earnings per share of Ordinary Stock amounted to $2.04, compared with $1.53 in 1946.

The accounts of your Company show the following results for the year ended December 31, 1947:

INCOME ACCOUNT

Gross Earnings			$318,585,919
Working Expenses (including taxes)			295,693,730
Net Earnings			$ 22,892,189
Other Income			24,788,927
			$ 47,681,116
Fixed Charges			15,787,174
Net Income			$ 31,893,942
Dividends:			
Preference Stock			
2% paid August 1, 1947	$ 2,278,841		
2% payable February 2, 1948	2,278,841		
		$ 4,557,682	
Ordinary Stock			
2% paid November 1, 1947		6,700,000	
			11,257,682
Balance transferred to Profit and Loss Account			$ 20,636,260

(The final dividend of 3 per cent. on the Ordinary Stock which was declared subsequent to the end of the year and is payable March 31, 1948, amounting to $10,050,000, is not deducted in the accounts for the year 1947.)

PROFIT AND LOSS ACCOUNT

Profit and Loss Balance December 31, 1946		$269,126,972
Final dividend of 3 per cent. on the Ordinary Stock, declared from the earnings of the year 1946, paid March 31, 1947		10,050,000
		$259,076,972
Balance of Income Account for the year ended December 31, 1947	$ 20,636,260	
Portion of steamship insurance recoveries representing compensation for increased cost of tonnage replacement	636,825	
Miscellaneous—Net Credit	304,583	
	$ 21,577,668	
Deduct:		
Adjustment to prevailing official rates for sterling in respect of capital expenditures for steamships in years 1943-1946	1,530,679	
		20,046,989
Profit and Loss Balance December 31, 1947, as per Balance Sheet		$279,123,961

Railway Operations

Gross Earnings in 1947 increased $26,090,091, or 8.9%, over those of 1946, and were but $285,115 below those of 1944, the year of highest earnings.

Freight Earnings amounted to $250,893,574, an increase of $32,342,966, or 14.8%, over 1946. The total was greater than in any previous year and $17,775,101 in excess of 1944, the next highest year. Increases in rates on international, overhead and certain import and export traffic produced more than $10,000,000 of the year's freight revenue.

Greater earnings were reported from general manufactures, grain and grain products, petroleum, lumber, paper and merchandise. No serious declines occurred in the movement of important commodities but small decreases were recorded in coal and coke, livestock and meat products. It was impossible at all times to meet fully the demand for freight cars but the situation was eased in the latter part of the year with the delivery of a substantial number of new cars.

The volume of business, measured in ton miles, was 11.6% greater than in 1946, but 4.3% and 3.9% respectively less than in 1944 and 1945. Tons handled, at 59,034,547, established a new record.

Passenger Earnings totalled $40,322,874, which were $5,057,771, or 11.1%, less than in 1946, and $16,531,423 below the wartime peak of 1945. There was a decline of $6,664,000 from military traffic, which was heavy in the early part of 1946, and some increase in revenue arising from trans-Atlantic passengers, traffic from the United States, as well as domestic travel.

The number of passengers carried one mile totalled 1,665,585,000, a decrease of 21.7% from 1946. This arose from a decrease in passengers carried of 6.1% and a reduction in the average journey from 136.4 miles to 113.8 miles. Coach traffic declined more than first class traffic and while earnings from sleeping, parlor and dining car services were less, available space continued to be well taken up. The fare per passenger mile averaged 2.40 cents as against 2.12 cents in 1946, due in part to certain fares over routes competitive with United States lines having been increased concurrently with increases authorized by the Interstate Commerce Commission.

Working Expenses increased $24,040,952, or 8.8%. Wages and salaries increased $10,916,533, of which approximately $6,500,000 was due to bearing the full year's cost of the wage increase of 10 cents per hour granted June 1, 1946. The balance arose from the greater number of hours worked together with certain wage adjustments and changes in working conditions granted various groups of employees. Expenses for material and supplies and other items increased $13,828,748, while tax accruals were $704,329 less.

The ratio of working expenses to gross earnings was 92.81%, a reduction of a bare .06 from last year's ratio, which was the highest on record.

Maintenance Expenses totalled $117,061,922 for the year, of which $54,776,657 was for maintenance of way and structures and $62,285,265 for maintenance of equipment. This was an increase of $7,370,322 over the expenses of 1946. In total they represented 36.7% of gross earnings compared with 37.5% in 1946.

Track maintenance included the placing in track of 2,382,860 treated and 731,060 untreated ties, the laying of 382 single track miles of new rail and application of 23.2 miles of rock ballast and 214.6 miles of other types of ballast. The Sperry detector car, which is used in the examination of rails for hidden defects, tested 8,090 miles of track.

The programme for renewal of rails, fastenings and ballast was below a level adequate for a year of heavy traffic volume owing to short supply of both material and labour, but some progress was made in overtaking deferred maintenance of ties. To provide for renewals deferred during the year, less what was overtaken on ties, a net amount of $2,400,000 was charged to maintenance and carried to Maintenance Reserves.

Rolling stock maintenance included complete overhauls of 767 locomotives, 28,379 freight train cars and 1,294 passenger train cars. At the end of the year 98.2% of freight cars and 93.5% of locomotives were in serviceable condition. Owing to the situation as to material and labour, the rolling stock maintenance that was done, while adequate for the traffic volume, did not effect any reduction in the deferred work accumulated during the war years.

Transportation Expenses amounted to $133,952,979, an increase of $16,055,016, or 13.6%, over 1946. The heavier traffic, together with higher wage rates, increased prices of fuel and other supplies, and widespread severe weather conditions in the early part of the year accounted for the greater expense.

Freight train operating performance showed improvement, reflecting in part the intensive efforts to obtain maximum utilization of the limited supply of equipment. Miles made per car on line averaged 16,973 compared with 16,177 the previous year, and the proportion of empty to total car miles was the lowest in many years. The average mileage per locomotive was 44,591, compared with 42,316 in 1946. Uncontrollable costs so predominated, however, that transportation expenses took 42.1% of gross earnings, a proportion never before reached, compared with 40.3% in the previous year.

The following statistical averages are indicative of the general level of efficiency in operations:

	1947	1946
Freight Train Load—gross tons	1,723	1,688
Freight Train Speed—miles per hour	15.9	16.1
Gross Ton Miles per Freight Train Hour	27,456	27,187
Freight Train Fuel Consumption—pounds per 1,000 gross ton miles	115	116
Freight Car Load—tons	31.2	30.8

Railway Tax Accruals amounted to $16,172,935, of which $12,000,000 was provision for Dominion Income and Provincial Corporation taxes, a reduction of $1,000,000 from the 1946 provision.

Net Earnings from railway operations were $22,892,189, an increase of $2,049,139. Out of each dollar of gross earnings, only seven cents of net was realized. In 1944 when gross earnings were roughly the same as in 1947, net earnings amounted to $43,159,664, or nearly double the 1947 figure. In this comparison the 1947 results are favoured by the increase in earnings derived from the rate increases on international traffic to which previous reference has been made.

Other Income

Other Income, at $24,788,927, was the highest in your Company's history. It was $2,009,133 more than in the previous record year of 1946.

The net earnings from ocean and coastal steamship operations decreased $401,917. Ocean steamship earnings were greater, due principally to the addition of the sixth Beaver ship to your Company's North Atlantic fleet and the return to passenger service in July of the Empress of Canada. The decline in net earnings of coastal steamships, chiefly due to increased costs of operation, more than offset the improvement in ocean steamship earnings. Higher freight and passenger charges were put into effect on the British Columbia service on the removal of price control but were not effective early enough to affect greatly the year's results.

Net earnings of your hotels were better than in any previous year; they exceeded, by $545,870, those of 1946 which had been the highest up to that time. Labour and material costs have been advancing rapidly over the past few years and in order to catch up with these costs it became necessary in the early summer to increase charges for meals and rooms in all your hotels. This, together with the larger volume of business enjoyed by your resort hotels, was responsible for the more favourable results.

The revenues from communication services were augmented by an increase of 20% in rates on telegraph traffic to and from the United States which was authorized by the Board of Transport Commissioners for Canada on June 6, 1947, following a general increase allowed by the Interstate Commerce Commission. Domestic rates remained unchanged throughout the year. As a result of rising costs, net earnings were $302,392 less.

Earnings from miscellaneous properties decreased $380,216, of which a large portion was due to the lower earnings from the old Hotel Vancouver. The lease of this property to the Citizens' Rehabilitation Council was renewed to April, 1948. An option for sale of the property was granted by your Company which remained open for acceptance at the end of the year.

Dividend income increased by $5,984,263. Dividends from The Consolidated Mining & Smelting Company of Canada, Limited at $8.00 per share amounted to $13,460,000 compared with $4.25 per share and $7,150,625 in 1946. The sustained heavy export demand and the marked improvement in world market prices for base metals enabled larger returns to be realized than were earned during the past several years.

Net income from interest, exchange, separately operated properties and miscellaneous sources decreased $3,436,475. Interest from the Steamship Replacement Fund decreased $298,207, owing to withdrawals from the Fund for expenditures on ships. Exchange account decreased $1,514,259. There was a decrease of $1,995,455 as a result of stating sterling expenditures for fixed charges at the official rate, but this was offset in part by the benefit for a full year of the revaluation, effective July 6, 1946, of the Canadian dollar in relation to the currencies of the United Kingdom and the United States. The earnings of your Air Lines were $956,637 less and there was an increase of $337,162 in the deficit of the Northern Alberta Railways, half of which is borne by your Company.

Fixed Charges

Fixed charges amounted to $15,787,174, a decrease of $2,700,939. Of this, $705,484 was brought about principally by a reduction in funded debt outstanding and in leased line rentals. The balance is the result of stating interest and rents payable in sterling at the official rate instead of at par of exchange.

Net Income and Dividends

Net income amounted to $31,893,942, an increase of $6,759,211 over 1946. Dividends declared from the year's net income aggregated $21,307,682, of which $4,557,682 was for two half-yearly dividends on the Preference Stock of 2 per cent. each and $16,750,000 for dividends on the Ordinary Stock of 2 per cent. paid November 1, 1947, and 3 per cent. payable March 31, 1948. The source of income for the payment of dividends on the Ordinary Stock was indicated clearly in special announcements made by your Directors. The last such statement, issued February 9, 1948, was as follows:

"The Directors consider it desirable to point out that this dividend of three per cent. making a total dividend payment of five per cent. in respect of operations for the year 1947 is made possible only by income from sources other than railway operations. Continued increases in gross earnings from freight traffic had been largely offset by decreases in passenger traffic and by increases in wages and the cost of materials and supplies."

Land Accounts

During the year 133,118 acres of agricultural lands were sold for $650,274, an average price of $4.88 per acre.

Cash received on land account, including initial and instalment payments on principal, totalled $4,312,677. Disbursements, including taxes, were $1,086,415, leaving net cash receipts of $3,226,262. This was a decrease of $800,255 from the previous year.

Concessions to contract holders similar to those of previous years were again approved for the crop year 1947-1948. Improved economic conditions in Western Canada during the past few years have had the effect of reducing the amount of such assistance required. The total amount of assistance to contract holders since the inauguration of the policy in 1932, up to the end of 1947, was $27,525,518.

Balance Sheet

Total assets at the end of the year amounted to $1,648,453,823, an increase of $26,008,155 during the year. There was a net increase of $32,033,830 in Property Investment, details of which are shown in a supporting schedule to the Balance Sheet. The largest item of expenditure was $26,011,981 for Rolling Stock, of which $19,765,867 was for new freight cars.

Finance

The amount of serial equipment obligations paid during the year was $8,264,000, reducing the Funded Debt by that amount and reducing the amount of Consolidated Debenture Stock pledged as Collateral by $268,000.

As of January 2, 1948, The Royal Trust Company, as Trustee, entered into an agreement under which $20,000,000 principal amount of Equipment Trust Certificates was issued, guaranteed as to principal and interest by your Company. This issue, designated as Series "J" maturing in equal annual instalments from January 2, 1949, to January 2, 1958, inclusive, is payable in Canadian currency, and bears interest at 2% per annum payable semi-annually commencing July 2, 1948. Under this arrangement, equipment constructed or to be constructed at an estimated cost of $25,027,410 in Canadian funds is leased to your Company at a rental equal to the instalments of principal of and interest on the Equipment Trust Certificates, such rental being payable on June 30 and December 30 in each year from 1948 to 1957 inclusive.

Pensions

Charges to working expenses for pensions amounted to $7,887,000. This includes your Company's proportion of the pension allowances paid during the year, levies in respect of employees covered by the United States Railroad Retirement Act, and the annual contribution of $1,750,000 to the Pension Trust Fund.

Wage Negotiations

At the beginning of the year notice was served by various groups of employees requesting extended annual vacation allowances. Subsequently a Board of Conciliation reported substantially in favour of the extensions asked for and a settlement was then negotiated which will be effective in 1948.

During the year certain groups of employees pressed requests for changes in working conditions in their agreements all of which involved increased expense to your Company. The proposals of the maintenance of equipment employees and the railway telegraphers were disposed of through negotiation. In other cases Boards of Conciliation were established as a result of which settlements were reached after further negotiations. Some cases are still outstanding, notably those concerning maintenance of way employees and conductors and trainmen.

The effect of the settlements negotiated during 1947 will be to increase the payroll expenses by approximately $2,250,000 per annum.

In November representatives of practically all organized employees served notice asking for a general wage increase of thirty-five cents per hour or its equivalent. It was impossible to entertain these requests, and they will be the subject of investigation by Boards of Conciliation early in 1948. A general wage increase of thirty-five cents per hour for all employees of your Company would mean an increased payroll expense of nearly $65,000,000. Your Company, while fully aware of the sharp rise that has taken place in the cost of living during the year, is firmly of the view that the demands made are not justified under existing circumstances.

To relieve the existing labour shortage, your Company made application to the proper authorities to recruit in Europe and bring to Canada for employment in track and other maintenance work a total of 1,720 men. Your Company obligated itself to provide employment for such men for a limited period following their entry into Canada at wage rates and under conditions of employment, including accommodation, not less favourable to the employee than those prevailing in the locality for similar classifications of employment.

Canadian Pacific Air Lines, Limited

The realignment of services following the survey of Canada's air transport requirements conducted by the Air Transport Board, mentioned in the last Annual Report, resulted in the relinquishment during the early part of 1947 of almost all the non-schedule or charter licences held by your Air Lines. On the other hand, certain new routes were assigned, including the scheduled services between Vancouver and Prince Rupert; Vancouver and Calgary via the Okanagan Valley; Winnipeg and Flin Flon via The Pas; and Seven Islands and Knob Lake. In order to meet the requirements of the new services, nine twin-engined aircraft were acquired and 26 of the smaller and older planes were disposed of.

The loss of earnings from the charter operations previously conducted and the cost of organizing and developing the new routes, combined with the increased costs of materials and labour, resulted in a net loss, after depreciation, of $584,266 as compared with a profit of $372,371 in the previous year.

Minneapolis, St. Paul & Sault Ste. Marie Railroad Company

A dividend on the capital stock of this Company was declared on February 19, 1947, at the rate of $1.00 per share, amounting to $791,104, of which your Company received $359,829.

Gross earnings of the Soo Line for the year amounted to $32,487,992, an increase of $4,517,844 over the previous year. Freight earnings were $4,617,368 higher, principally as a result of the increases in rates authorized by the Interstate Commerce Commission. Working expenses for the year amounted to $30,454,813, an increase of $3,502,733.

Net income for the year, after provision for fixed and contingent charges, amounted to $1,183,000 compared with $154,188 in the previous year.

The voting trust agreement which had been entered into pursuant to the plan of reorganization of the Soo Line was terminated at December 31, 1947, by unanimous action of the Voting Trustees. The effect of this action was to transfer to the shareholders the right to vote the capital stock of which your Company now owns 50.03%.

The Wisconsin Central continues to be operated by the Soo Line as agent for the Trustees of the Wisconsin Central. The plan of reorganization previously proposed by an Examiner of the Interstate Commerce Commission has now been approved with certain modifications by the Commission. Your Company as well as other interested parties have petitioned for an order for further modification of certain features of the plan. On February 2, 1948, the Commission issued an order reopening the proceedings for further hearing.

The Duluth, South Shore & Atlantic Railway Company

The plan of reorganization proposed by the Trustees of the South Shore as a result of the negotiations between your Company and representatives of the holders of a substantial portion of the First Mortgage Bonds, which was under consideration by the Interstate Commerce Commission at the end of 1946, was approved by the Commission on June 19, 1947, with certain modifications. In order to expedite the reorganization proceedings, all parties in interest have agreed not to file any objections to the modified plan, which has now been certified to the District Court.

Gross earnings of the South Shore for the year were $5,323,656, an increase of $1,233,257, of which approximately $731,000 was due to higher freight rates. Net earnings amounted to $537,460, an increase of $526,685 over the previous year.

Rates and Services

Previous reference has been made in this Report to the application filed with the Board of Transport Commissioners for Canada for authority to increase freight rates by 30%. There were certain exceptions to the request for a general increase, namely the statutory grain rates which may only be increased by authority of Parliament and rates on coal and coke for which definite amounts per ton were requested. It was estimated that the overall increase in freight revenues involved in the application amounted to 22.6%.

Following the release from price control of freight and express charges, under order of the Wartime Prices and Trade Board effective September 15, 1947, the railways of Canada took steps to increase by 30% competitive freight rates and competitive express rates.

The railway companies felt justified in proposing these increases in rates which they had voluntarily established to meet competition, because their competitors' costs had also substantially increased and the abnormally low rates could therefore no longer be justified. Such rates as increased would in no instances have exceeded either the normal rates previously established without regard to competition or those fixed as maximum rates by the Board of Transport.

The Board ruled, however, that all rates, including these competitive rates, were under consideration in the general application and that it was desirable that they should continue to be considered together until final disposition. The railways were therefore ordered to suspend these increases.

New Rolling Stock Placed in Service During Year

Locomotives	
Steam	6
Diesel	13
Freight Train Cars	
Box	2,672
Automobile	500
Hopper	251
Refrigerator	55
Caboose	50
Passenger Train Cars	
Baggage	10
Coach	7

Much research has been directed to the various types of motive power required for use in different classes of railway service. Following extensive tests and studies, decision was made during the past year, and action is now being taken, to change over completely to diesel-electric locomotives for all services on the Esquimalt & Nanaimo Railway on Vancouver Island. Investigations are continuing to determine specifically the operations elsewhere on the system where this type of locomotive can be used to greatest advantage.

Diesel switching locomotives are proving their effectiveness in yard operations at major terminals across the system. At the end of the year 55 diesel switchers were in service, of which 13 were received during 1947.

The number of new freight cars received was greater than in any year since 1937, but only half of the units in the 1947 programme were received during the year owing to priorities given to foreign orders. Much delay has been experienced in the construction of the 50 passenger train cars ordered in 1945. These comprise 10 baggage cars completed in 1947; 35 light-weight coaches, of which 7 were placed in service in 1947 and the remainder are being delivered early in 1948; and 5 roomette sleeping cars, also to be finished in 1948. The coaches are the first to be added since 1942 and their modern features have elicited much favourable comment from the travelling public.

The location of industrial enterprises and warehousing or distributing businesses on your Company's lines is of major importance in the development of traffic. During the year, 563 manufacturing, distributing and warehousing establishments began or expanded their operations on your Company's lines. The needs of 240 of these firms required the construction of 34 miles of siding facilities.

Operating Regions

A reorganization was undertaken during the year under which there were constituted the Eastern, Prairie and Pacific operating regions replacing the previous geographical divisions known as Eastern and Western Lines. The ever-increasing importance of the Province of British Columbia in the Canadian economy was recognized by withdrawing the Company's lines in that Province from Western Lines and establishing the Pacific Region. The remainder of the Company's operations in Western Lines, comprising those in the extensive grain producing areas and the growing industrial centres of the Prairie Provinces, now make up the newly formed Prairie Region.

Steamship Replacement

The Beavercove, fourth of the Atlantic Beavers designed and built for your Company, was delivered during 1947 and entered regular freight service between Canada and the British Isles in September. The Beaverburn and Beaverford, ultimately intended for the Pacific, remained in the Atlantic service throughout the year. The six Beaver ships combined carried 445,960 tons of cargo, principally vital foodstuffs, to the United Kingdom, and carried 91,101 tons to Canada. In addition, 1,295 passengers were accommodated on the Beaverburn and Beaverford.

In July the Empress of Canada, the former Duchess of Richmond, which had been completely overhauled and reconditioned, returned to the Atlantic service and up to the end of the year carried 10,241 passengers and 36,484 tons of cargo.

The Duchess of Bedford was released from troop transport service and is being refitted before returning to the Atlantic service. She is to be renamed the Empress of France. Serious delays have been encountered owing to scarcity of materials and the lack of sufficient numbers of skilled workmen in the shipyards.

In September your Company purchased the former German motor vessel Huascaran and renamed her Beaverbrae. This vessel was reconditioned and is now in service in the transport of displaced persons and immigrants from Europe. The Beaverbrae has a carrying capacity of approximately 800 passengers and 6,000 tons of cargo.

The Princess Kathleen, fully reconditioned and with modernized fittings, re-entered your Company's service on the triangle run between Vancouver, Victoria and Seattle. The two new passenger steamships being constructed for the British Columbia Coast Service are expected to be placed in service before the end of 1948.

Discussions were continued with shipbuilders in the United Kingdom looking toward the placing of contracts for the construction of two large passenger vessels, one for Pacific service and one for the Atlantic, plans and specifications for which were completed in 1946.

Capital Appropriations

In anticipation of your confirmation, capital appropriations in addition to those approved at the last Annual Meeting were authorized by your Directors during the year in the amount of $36,390,854. Included were provisions of $22,720,000 for 63 locomotives and 1,705 freight train cars, $8,000,000 for construction of a new freight yard at Montreal, and $2,738,843 for the acquisition of the motor vessel Huascaran and for betterments to the Empress of Canada.

Your approval will be requested also for capital appropriations of $43,280,017 for the year 1948. The principal items are as follows:

Additions and betterments to stations, freight sheds, coaling and watering facilities and engine-houses	$3,615,297
Replacement and enlargement of structures in permanent form	829,327
Tie plates, rail anchors and miscellaneous roadway betterments	1,292,193
Replacement of rail in main line and branch line tracks with heavier section	1,110,290
Installation of automatic signals	372,583
Additional terminal and side track accommodation	759,454
Additions and betterments to shop machinery	494,228
New rolling stock	31,524,072
Additions and betterments to rolling stock	1,489,400
Ocean steamships	90,000
Additions and betterments to communication facilities	1,638,238

Directorate

It is with deep regret that your Directors record the loss by death of a member of the Board, Mr. George W. Spinney, C.M.G., in February, 1948.

Mr. Spinney, who was appointed a Director in 1944 and a Member of the Executive Committee of the Board in 1946, gave to the affairs of your Company the full benefit of his great talents and wise counsel.

Mr. Spinney's sterling character and sound judgment had won for him the respect and regard of Governments and of commercial and financial bodies both at home and abroad. An able administrator, he influenced beneficially many phases of Canadian economic life. His patriotic services in the organization of the First Victory Loan of the Dominion of Canada and his chairmanship of the National War Finance Committee made an important contribution to Allied victory, which was suitably recognized by His Majesty and by the Government of Canada. His zeal in philanthropic and educational work was a source of inspiration to others, and his warm human sympathies, his geniality and lightness of spirit enriched the lives of all those associated with him.

Early in the present year the health of Mr. W. M. Neal, C.B.E., Chairman and President of your Company, showed signs of deterioration and notwithstanding a prolonged rest he failed to improve. In consequence of advice from his physicians he asked that he be relieved of his responsibilities at the earliest possible date, and your Directors reluctantly felt impelled to accept his resignation.

Mr. Neal's record is one of distinctive achievement in the field of railway operation. Throughout the many years of his service, in whatever office he held, his zeal, ability and energy were conspicuous; and, besides serving your Company with great efficiency, he rendered the Country meritorious service in the War of 1914-18 as General Secretary of the Canadian Railway War Board; and again in the recent World War as Canadian representative on the Transportation Equipment Committee of the Combined Production and Resources Board of Canada, the United Kingdom and the United States.

At the meeting of the Board held on the date of this Report Mr. George A. Walker, K.C., Vice-President of your Company, a Director and member of the Executive Committee, was elected Chairman of the Company.

Mr. W. A. Mather, Vice-President of the Prairie Region of your Company's System, was elected a Director, a member of the Executive Committee and President of the Company.

The undermentioned Directors will retire from office at the approaching annual meeting. They are eligible for re-election:

Mr. D. C. Coleman, C.M.G.
Hon. Charles A. Dunning, P.C.
Mr. John W. Hobbs
Mr. R. S. McLaughlin
Sir Edward Peacock, G.C.V.O.

Officers and Employees

Throughout the years an enviable record of devotion to duty has been built up by the officers and employees of your Company. By their efforts the high standards of Canadian Pacific service have been not only maintained but advanced. Your Directors desire to express their appreciation of these achievements and their gratitude for the loyalty to the best interests of your Company continuously expressed through the competent performance of duty.

For the Directors,
W. A. MATHER,
President.

Montreal, March 8, 1948.

HIGHLIGHTS

	1947	1946	1945
Gross Earnings	$318,585,919	$292,495,828	$316,109,358
Working Expenses	295,693,730	271,652,778	280,055,024
Net Earnings	22,892,189	20,843,050	36,054,334
Other Income	24,788,927	22,779,794	15,106,957
Interest and Rental Charges	$15,787,174	$18,488,113	$19,547,129
Preference Stock Dividends	4,557,682	4,557,682	5,031,500
Ordinary Stock Dividends	16,750,000	16,750,000	16,750,000
Balance for Modernization and Other Corporate Purposes	10,586,260	3,827,049	9,832,662
Ratio, Net to Gross Earnings	7.19%	7.13%	11.41%
Average Interest Rate	3.64%	3.66%	3.84%
Preference Dividend Rate	4%	4%	4%
Ordinary Dividend Rate	5%	5%	5%
Tons of Freight Carried	59,034,547	51,400,892	54,822,012
Number of Passengers Carried	14,636,353	15,583,990	17,740,684
Revenue per Ton Mile	0.95c	0.93c	0.83c
Revenue per Passenger Mile	2.40c	2.12c	1.97c
Total Pay Rolls, All Services	$193,960,029	$178,982,649	$172,203,023
Number of Employees	83,528	82,180	84,062
Average Annual Wage	$2,322	$2,178	$2,049

Canadian Pacific Railway Company

General Balance Sheet, December 31, 1947

ASSETS

PROPERTY INVESTMENT:		
Railway, Rolling Stock and Inland Steamships	$880,747,256	
Improvements on Leased Property	107,956,776	
Stocks and Bonds—Leased Railway Companies	134,169,779	
Ocean and Coastal Steamships	54,545,167	
Hotel, Communication and Miscellaneous Properties	97,644,309	
		$1,275,063,287
OTHER INVESTMENTS:		
Stocks and Bonds—Controlled Companies	$ 69,939,167	
Miscellaneous Investments	47,039,979	
Advances to Controlled and Other Companies	7,236,035	
Mortgages Collectible and Advances to Settlers	1,293,295	
Deferred Payments on Lands and Townsites	10,782,049	
Unsold Lands and Other Properties	13,423,071	
Maintenance Fund	27,600,000	
Insurance Fund	12,460,156	
Steamship Replacement Fund	34,645,823	
		224,419,575
CURRENT ASSETS:		
Material and Supplies	$ 36,712,903	
Agents' and Conductors' Balances	14,741,396	
Miscellaneous Accounts Receivable	17,968,071	
Dominion of Canada Securities	31,667,000	
Cash	42,644,686	
		143,734,056
UNADJUSTED DEBITS:		
Insurance Prepaid	$ 238,296	
Unamortized Discount on Bonds	3,781,185	
Other Unadjusted Debits	1,217,424	
		5,236,905
		$1,648,453,823

LIABILITIES

CAPITAL STOCK:		
Ordinary Stock	$335,000,000	
Preference Stock—4% Non-cumulative	137,256,921	
		$ 472,256,921
PERPETUAL 4% CONSOLIDATED DEBENTURE STOCK	$325,856,729	
Less: Pledged as collateral to bonds and equipment obligations	30,418,500	
		295,438,229
FUNDED DEBT		75,301,000
CURRENT LIABILITIES:		
Pay Rolls	$ 7,053,336	
Audited Vouchers	9,284,072	
Net Traffic Balances	4,491,862	
Miscellaneous Accounts Payable	9,452,084	
Accrued Fixed Charges	938,186	
Unmatured Dividend Declared	2,278,841	
Other Current Liabilities	13,339,604	
		46,837,985
DEFERRED LIABILITIES:		
Dominion Government Unemployment Relief	$ 1,447,223	
Miscellaneous	2,961,578	
		4,408,801
RESERVES AND UNADJUSTED CREDITS:		
Maintenance Reserves	$ 27,600,000	
Depreciation Reserves	324,478,772	
Investment Reserves	3,702,115	
Insurance Reserve	12,460,156	
Contingent Reserves	5,188,998	
Unadjusted Credits	6,475,843	
		379,905,884
PREMIUM ON CAPITAL AND DEBENTURE STOCK		34,458,562
LAND SURPLUS		60,722,480
PROFIT AND LOSS BALANCE		279,123,961
		$1,648,453,823

ERIC A. LESLIE,
Vice-President and Comptroller.

To the Shareholders,
Canadian Pacific Railway Company:

We have examined the above General Balance Sheet of the Canadian Pacific Railway Company as at December 31, 1947, the Income and Profit and Loss Accounts for the year ending on that date and other related schedules, and have compared them with the books and records of the Company.

The records of the securities owned by the Company at December 31, 1947, were verified by an examination of those securities which were in the custody of its Treasurer and by certificates received from such depositaries as were holding securities in safe custody for the Company.

In our opinion the General Balance Sheet, Income and Profit and Loss Accounts and the other related schedules are properly drawn up so as to present fairly the financial position of the Company at December 31, 1947, and the results of its operations for the year then ended, according to the best of our information and the explanations given to us and as shown by the books of the Company.

Montreal, March 5, 1948.

PRICE, WATERHOUSE & CO.,
Chartered Accountants.

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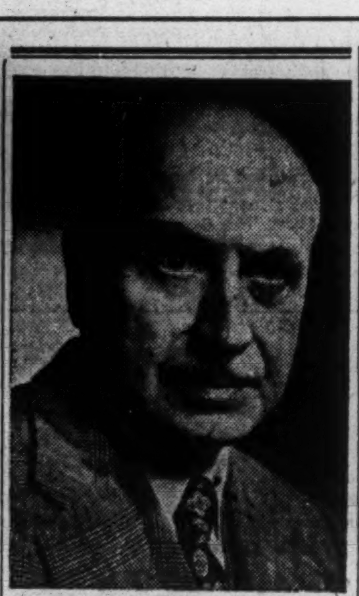

R. H. Rough, President, Transit Advertising Company Ltd., announces the appointment of W. B. Tingle as Vice-President of the Company with headquarters in Montreal. W. B. Tingle, who was Director and Advertising Manager of Imperial Tobacco Company until his retirement a short time ago, is known throughout Canada not only for his tobacco connection but also for his work during the war years with the National War Finance Committee as Joint Chairman Public Relations Section, Province of Quebec. *

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MAIL ORDERS POSTPAID

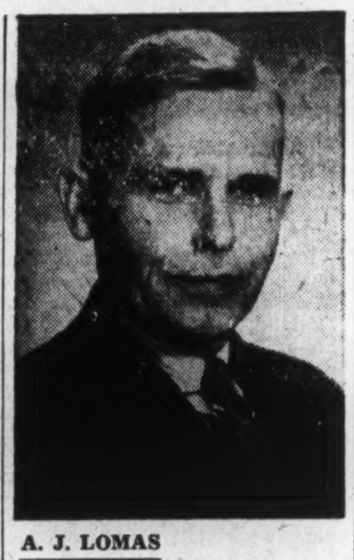
B.A. Oil Sales At Record High

British American Oil Co.'s 1947 sales have surpassed all previous records, President W. K. Whiteford states in a dividend letter to shareholders. Net earnings are somewhat higher than in 1946.

Recent advances in the price of crude oil resulting from increased exploration, development and drilling costs, have not as yet been fully reflected in higher selling prices for finished petroleum products, Mr. Whiteford says. Only through greater sales volume, improved manufacturing and marketing facilities and over-all economy, has the company been able to maintain reasonable earnings, notwithstanding a continually narrowing margin of profit per gallon of products sold.

The action of certain provincial governments in maintaining price control of gasoline on a prewar basis has had a further adverse effect on normal realization, it is said. This unrealistic attitude must be adjusted to actualities if the company is to continue supplying petroleum products in these areas.

Crucial shortage of steel needed for well drilling equipment, pipe lines, tankers and refineries has frustrated the most strenuous efforts of the petroleum industry to relieve product shortages. Under the most favorable circumstances it will take the industry several years to catch up with demands. The shortage has been further accentuated by the urgent necessity of diverting crude from the Western Hemisphere to markets formerly supplied by wells destroyed or damaged in the war, the statement said.



A. J. LOMAS

has been appointed general manager of Canadian National Railways central region (Toronto).

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ROBERT MITCHELL CO. 1947 net profit was more than double that of the previous year at $80,053. A revision of the arrangement with Ekco Products Co., Chicago, brought mutual agreement to cancel the option to purchase 27,600 shares unissued capital stock at $30 per share. Volume of Ekco business was somewhat smaller than anticipated, due to certain manufacturing difficulties, as well as to a shortage of essential materials and narrowing of export markets.

Fixed assets were increased by $189,983, the bulk of such expenditures representing equipment to manufacture Ekco products. These additional expenditures, along with other heavy demands for cash, were financed through bank credits. Orders and contracts on hand for execution during 1948 are substantial and apply as well to the wholly owned subsidiary, The Garth Co.

Representations made by the company to the Dept. of National Revenue have resulted in a considerable increase in the company's standard profits base.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$229,336	$114,860
Less: Deprec.	81,000	50,000
Prov. for inc. taxes	68,283	29,023
Net profit	80,053	35,837
Less: Dividends	......	72,400
Surplus for year	80,053	a36,563
aDeficit.		
Earnings per Share and Dividend Record:		
Common	$1.11	$0.49
Paid	....	1.00

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$50,504	$48,966
Accts., etc., rec.	935,897	591,357
Recov. EPT	1,269,118	......
Inventories	646,048	674,473
Total curr. assets	2,901,567	1,314,796
Misc. assets▲	681,139	841,602
Fixed assets	2,323,472	2,133,489
Total assets	5,906,178	4,289,887
Bank loan	620,000	220,000
Accts., tax., etc., pay.	640,448	549,955
Total curr. liab.	1,260,448	769,955
Deprec. res.	1,575,693	1,511,494
Capital stock	1,064,400	1,064,400
Capital surplus	73,757	60,386
Surplus▲	†1,931,880	883,652
▲Incl. ref. EPT	422,319	723,262
†Including $968,175 net credit adjustment of taxes.		
Working capital	1,641,119	544,841

SOUTHAM CO. 1947 net profit was up slightly from 1946 at $1,086,707. Gross revenues at $14,652,000 were higher by $2,860,000 while general operating expenses at $12,455,000 were up $2,811,000. Each of the newspapers increased both its circulation and its advertising revenue and the general printing divisions enjoyed increased sales, President P. S. Fisher states. Chief items entering into increase in expenditures, apart from the inevitable cost of handling a larger volume of business, were increases in wage scales and increases in paper costs.

During the year some $341,000 was invested in production facilities. At the year end there was approximately $380,000 on order on machinery, the bulk of which is expected to be delivered this year.

There has been an increase of $103,000 in "other investments" arising almost wholly from expenditures to improve the broadcasting facilities of two radio stations controlled by the company; CJCA in Edmonton, and CFAC in Calgary.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$2,197,722	$2,150,490
Less: Debent. int.	241,500	241,500
Depreciation	239,515	214,935
Taxes	630,000	674,350
Net profit	1,086,707	1,019,705
Less: Dividends	615,000	570,000
Surplus for year	471,707	449,705
Earnings per Share and Dividend Record*:		
Common	$1.45	$1.36
Paid	0.82	0.76

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$2,519,643	$2,442,571
Accts. rec.	1,456,072	1,213,873
Inventories	823,779	834,918
Total curr. assets	4,799,494	4,491,362
Prep. exp.§	49,877	53,718
Misc. invests., etc.▲	1,094,522	960,666
Fixed assets*	3,245,284	3,183,655
Inv. in circ.	2,280,000	2,280,000
G'dw'l (print. divs.)	120,000	120,000
Total assets	11,589,177	11,089,401
Accts. & tax. pay.	882,959	788,212
Accr. liab. & def. rev.	235,534	204,403
Total curr. liabs.	1,118,493	992,615
Funded deb	4,792,000	4,830,000
Pens. & cont. res.	322,531	400,531
Capital stock	3,000,000	3,000,000
Surplus▲	2,356,153	1,866,255
▲Incl. ref. EPT	576,500	576,500
*After depr. of	6,224,169	6,018,883
§Incl. in curr. assets in co's. report.		
Working capital	3,681,001	3,498,747

PAUL SERVICE STORES, Montreal, 1947 net profit was off narrowly at $88,146 ($91,681). Sales volume showed a sharp increase over previous year but cost of both labor and supplies advanced. The slight decrease in profits came from the substantial amount paid for installation of new equipment and the rebuilding of a number of stores. This was included in cost of doing business in 1947.

During the year the company arranged for the sale to a chartered bank of $200,000 3½% serial debentures. The proceeds were used for capital expenditures made for plant rehabilitation and in connection with the opening up of several large Super Stores. These units are complete plants in themselves—cleaning and pressing, including shirt laundering being done on the premises. Additional Super Stores will be opened during 1948. The company is also rebuilding present stores and modernizing them. The plant was completely rehabilitated during the year.

The company has brought in all the 6,700 7% preferred shares outstanding so that now there is no obligation ranking prior to the common shares, with the exception of the serial debentures. With the opening up of the new units, sales volume will show a further increase in the current year, President Leo Dandurand states.

CONS. INCOME ACCOUNT

Years End. Dec. 26/27:	1947	1946
Net earnings	$192,755	$177,171
Less: Deprec.	35,766	......
Income taxes	68,,843	85,490
Net profit	88,146	91,681
Less: Pref. divds.	2,345	2,345
Surplus for year	85,801	89,336
Earnings per Share and Dividend Record:		
Pref.: Earned	$13.16	$13.68
Paid	0.35	0.35
Com.: Earned	1.72	1.79
None paid.		

CONDENSED CONS. BALANCE SHEET

As at:	Dec. 26 1947	Dec. 27 1946
Cash	$302,502	$100,911
Mkt. bonds	......	66,379
Accts. rec.	34,587	13,936
Inventories	13,159	12,350
Total curr. assets	350,248	193,576
Misc. assets▲	12,299	16,915
Fixed assets	*500,575	487,999
Total assets	863,122	698,490
Total curr. liabs.	74,485	101,899
Funded debt	200,000	......
Mtge. pay.	5,500	6,500
Deprec. res.	......	98,594
Other res.	16,146	16,677
Capital stock	83,500	83,500
Capital surplus	155,130	148,954
Earned surplus▲	328,361	242,366
▲Incl. ref. EPT	194	194
*After depr. of	128,466	......
Working capital	275,763	91,677

Consolidated Mining To Speed New Unit

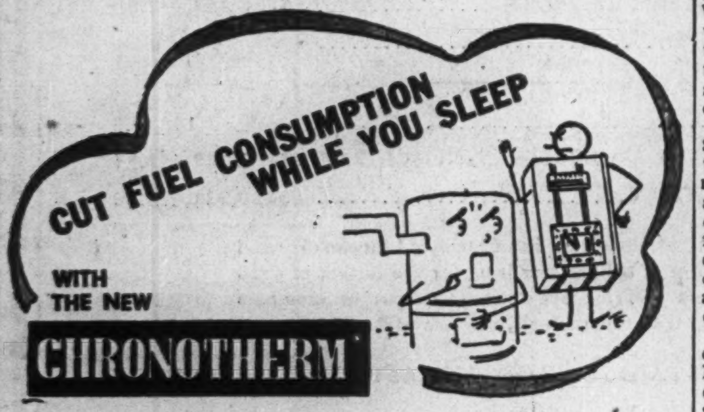
MONTREAL (Staff) — Consolidated Mining & Smelting Co. states that work will start shortly on a new 30,000 kilowatt unit at the Brilliant power plant on the Kootenay River, since the load this year has taxed the capacity of all the company's hydro units. The new unit will be able to deliver additional energy only when water is available but will also act as a spare for any existing units. Operation is scheduled to start about three months after delivery, anticipated in the fall of 1949.

AQUARIUS PORCUPINE GOLD MINES Mar. 25 installment of 100,000 shares at 50 cents a share has not been exercised, and agreement with New Electra Porcupine Gold Mines has been terminated by default.

NORMETAL MINING CORP. earned $1,075,624 or 28.6 cents a share—highest profit in its history—during 1947, (1946 net equalled 12 cents a share). Working capital reached a new peak of $3.3 millions, up over $850,000, is now close to $1 a share on 3,757,012 issued shares. On basis of 209,310 tons of ore milled during 1947, ore reserves were sufficient for almost nine years' operations at year end. Ore treated in 1947 averaged 3.37% copper and 6.70% zinc while reserves average 3.64% copper and 7.63% zinc. Important increases in ore reserves are reported unlikely until levels are opened from No. 4 shaft below the present 3,240-ft. bottom level.

Hydro-electric power purchased in 1947 was only 24.7% of total power used but the Quebec Hydro-Electric Commission power line from Noranda to Normetal is scheduled for completion late in 1948.

A contract for sale of all 1948 zinc output has been completed with a U.S. smelter. Part of 1948 copper output has been sold and negotiations are under way for sale of balance. Company received an average of 10.5 cents a pound for zinc and 19.07 cents a pound for copper last year.



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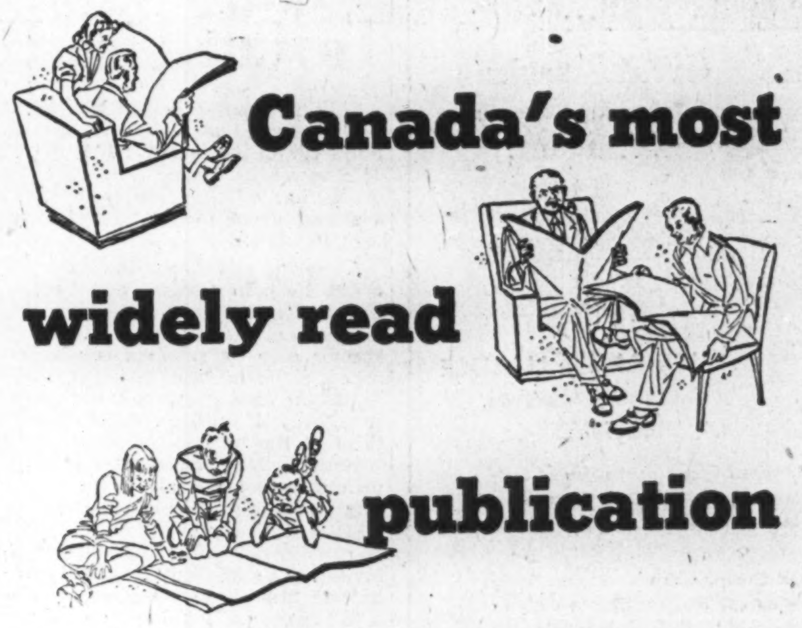

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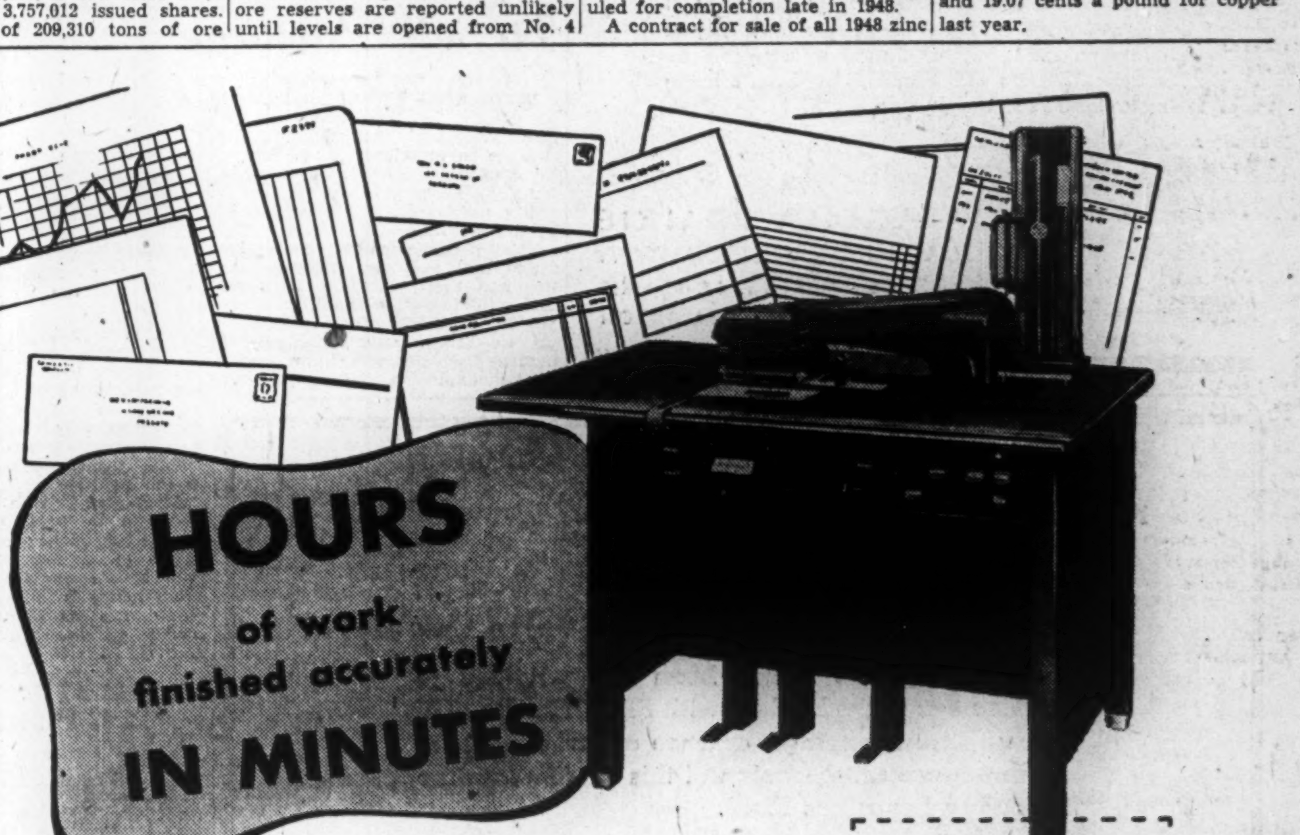

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PAYMASTER CONSOLIDATED MINES reports bullion production of $276,606 from treatment of 38,296 tons of ore, an average recovery of $7.22 gold per ton in three months ended Mar. 31 ($271,928 from 35,838 tons and $7.58 in three months ended Dec. 31, 1947).

TIMES CHANGE

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Fire Prevention Officers Urge Drive To Cut Fire Hazards in Spring Cleanup

With fire losses in Canada in 1947 estimated at well over $60 millions and the total for 1948 to date at a still higher level, fire prevention officials are making a strong drive for greater prevention efforts.

A spring clean-up is being urged in both Canada and the United States as one of the best means to check the fire loss, and greater care by smokers is also urged. Smokers' carelessness continues the most common cause of fires, being blamed for about one third of the total.

Householders, merchants and manufacturers are all urged to tidy up their premises in the interests of fire prevention. Piles of rubbish not only give a direct invitation to fire but frequently impede firefighters.

In some communities spring cleanup day or Arbor Day is on an established date. While in most cases attention is centred on giving the community the new look, as regards lawns and gardens, the fire prevention objective is just as important.

Property Owners Can Co-operate

The National Board of Fire Underwriters in the United States suggests several ways in which individual property-holders can co-operate in the fire prevention efforts, as follows:

Clear out all rubbish gathered in attics, closets, cellars and garages.

Be sure oily waste and other greasy materials are put in metal cans, which are cleaned every day.

Keep aisles and entrances clear of obstacles. See that fire escapes are safe and fire doors not blocked open.

Check for all woodwork or other combustible material located too near steam pipes, boilers, flues, or furnaces.

Make certain fuel supply is stored safely, if possible in a room with fire walls.

Move open flame lights away from burnable equipment.

Check all electric wiring and equipment for breaks, loosened wires, cords looped over nails, and fuses replaced by improper current carrying devices.

See that smoking rules are obeyed.

Inspect fire fighting equipment, check sprinklers for coated or corroded heads, obstructions and to see if any part of sprinklers or pipe is exposed to freezing.

Be sure combustible goods are stored safely, if possible in a room with fire walls.

Where there is a watchman, make sure he visits all parts of the premises regularly.

Check all stoves, furnaces, and heaters as soon as possible.

See that floors under stoves are protected.

Empty hot coals into metal containers.

Place metal screens in front of fire places.

Place portable heaters so they can't be knocked over.

Put enough ash trays around the premises to meet the needs of smokers. Remember one third of all fires are caused by smokers' carelessness.

Keep matches out of the reach of young children.

Use only proper fuses for electrical circuits. Don't bridge burned out fuses with wires or coins.

Regarding loss of life, a booklet published by the National Board of Fire Underwriters states that many fire deaths are due to hot air and toxic acids as well as direct flame. Air and gas can get as hot as 1,000 deg. F. in a very few minutes and can kill in a few breaths and also set fire to drapes, curtains, etc. A fire doesn't have to burn from sofa to a chair to a table to spread. Its advance guard of withering heat will start a fire sometimes many feet away.

If you are in a room where a fire starts, get out as quickly as possible, shut the door and call the fire department at once.

Find some other way to get downstairs than through the main stairway, which offers an avenue for deadly heat and poisonous gases.

Automobile and General Casualty Insurance — Lumbermens — Fire and Allied Lines Written in Associated Companies — Agency Inquiries Invited — "THE SAFETY-MINDED COMPANY"

Don't overload your electrical circuit plugging in more toasters irons, lights, etc., than the line will carry.

Don't use gasoline or kerosene to start a fire.

Don't look for a gas leak with a match.

To Use Judgment Fund Only as Last Resort

From Our Own Correspondent

WINNIPEG—Only when all other possibilities for getting payment have been exhausted, will it be possible in future for a victim of a traffic accident to establish a claim on the Unsatisfied Judgment Fund set up under Manitoba Highway Safety-Responsibility Act. The law came into effect Dec. 1, 1945.

The legislature intends to put this specific provision in the Highway Traffic Act. A pending court case is the reason for the amendment.

The fund was set up by a special assessment on motor vehicle owners to indemnify victims of traffic accidents for damages they couldn't otherwise collect from those against whom they might get judgment, because of financial inability to pay. For 1946 the assessment was $1; for 1947, 50 cents, and this year it has been waived because the fund has nearly the maximum ($175,000) it was intended it should have. Only one claim of $1,300 has been paid from it.

Father and Son

Last fall the driver of a car was injured in a collision with another car driven by the son of the person who owned it. The son was not of legal age. The injured man proceeded in court against both father and son. At the trial he did not ask judgment against the father. There was some question whether the father had given the son permission to operate the car. The father carried public liability, and property damage insurance.

The court awarded $7,000 damages to the injured man, $626 to a brother and $250 to a sister, both passengers in the car, a total of $7,826. The usual procedure was taken to collect from the under-age defendant. Court officers reported he had no assets from which to collect.

An application was then made to be indemnified from the Unsatisfied Judgment Fund to the extent of $5,000, the maximum for which the fund may be liable on any one accident. The court dismissed it on the ground that other avenues had first to be exhausted before the claim could be entertained. Attempts would first have to be made, it ruled, to collect from the father or the insurance company, or both.

The decision has been appealed and the hearing hasn't taken place.

Amendment Retroactive

The proposed amendment to the Highway Traffic Act is to be made retroactive and made applicable to all cases since the present law came into effect, with exception of the one now before the courts.

Only four claims have ever been made on the fund and only one has been allowed and paid. Last month the fourth claim was made by the victim of a hit and run driver who under procedure established a year ago has sued the registrar of motor vehicles as nominal defendant. It he establishes a case upon which the court can give judgment, the fund will be liable.

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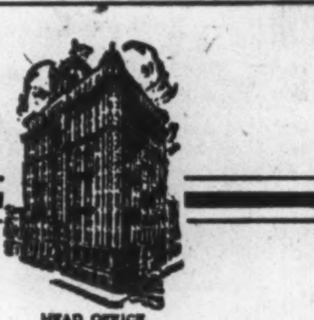


HEAD OFFICE

73rd ANNUAL STATEMENT

The INDEPENDENT ORDER OF FORESTERS

This 73rd Annual Statement is the strongest in the history of the Order with substantial increases reported in all departments that mark the Order as one of the leading institutions providing insurance protection with fraternal benefits to men, women and children:

(Summary of Report)

ASSETS	$ 48,279,247.84
INSURANCE RESERVES	$ 38,863,032.00
SURPLUS AND OTHER RESERVES	$ 8,062,447.89
INTEREST EARNED	4 per cent.
MEMBERSHIP	135,658
PAID TO MEMBERS AND THEIR BENEFICIARIES	$ 3,628,448.31
INSURANCE IN FORCE	$120,821,979.00

Since 1923, the Order has distributed for the care and education of orphan children, for the benefit of aged members and for sanatoria treatment of members afflicted with tuberculosis, the sum of $1,871,668.00:

TOTAL BENEFITS PAID SINCE ORGANIZATION.. $168,792,559.14

THE INDEPENDENT ORDER OF FORESTERS
HEAD OFFICE: TORONTO, CANADA

INSURANCE PLUS FRATERNITY

Private Insurers in Sask. To Sell 'Package' Auto Cover

From Our Own Correspondent

REGINA — Private insurance companies in Saskatchewan are negotiating with the provincial insurance commissioner, J. A. Young, to determine if they can write policies similar to the "package" policy now being sold to motorists by the province.

The package policy sells for $18.80 and provides coverage for fire and theft; collision, with $25 deductible; public liability from $10,000 to $20,000; property damage up to $2,000; and coverage for damage from riot, windstorm, earthquake, explosion, falling aircraft and flood; and loss to automobile radio through collision, fire and theft.

The package policy, authorized by the provincial legislature at the recent session, provides coverage in addition to the protection under the province's compulsory automobile accident insurance plan. The additional coverage does not take effect until the plan has paid its full liability.

Mr. Young said the Saskatchewan Government Insurance Act contained provisions which permits him to approve such policies issued by private companies. "There is no reason why commercial insurance companies cannot issue automobile insurance policies similar to the package policy," he said.

At present private companies are permited to write primary automobile accident insurance, but claims on these policies must be paid before the Government's licence policy is liable. The Government pays its claims only after private companies have completely fulfilled their contracts.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

EMPIRE BRASS MFG., London, Ont., 1947 net profit was up 28%. Throughout the year, demand for company products (those which company manufactures and wholesales), continued to exceed supply, resulting in sales considerably in excess of previous year, President C. H. Ivey states.

New plant, for the manufacture of wrought copper fittings has commenced operations. By midsummer this plant should be in full production. Net additions to fixed assets amounted to $162,800.

Owing to increased volume of business, together with rising costs of labor and materials, a larger working capital is required.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$996,965	$649,447
Less: Deprec.	63,520	43,979
Bank int.	1,772	......
Invent. res.	150,000	......
Income taxes	456,000	343,000
Add: Asset sale prof.	10,728	......
Net profit	336,401	262,468
Less: Cl. A divds.	60,000	......
Surplus for year	276,401	......
Earnings per Share and Dividend Record:		
Class A: Earned	$5.61	$4.37
Paid	1.00	....
Class B: Earned	4.61	3.37
None paid.		

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$314,932	$28,000
Accts. rec.	975,911	685,289
Inventories	727,774	718,416
Total curr. assets	2,018,617	1,431,795
Prep. exps.§	22,521	15,256
Ref. EPT	225,500	225,500
Fixed assets*	553,791	421,528
Total assets	2,820,429	2,094,079
Accts. & tax. pay.	809,683	505,895
Other curr. liabs.	359,725	213,564
Total curr. liabs.	1,169,408	719,459
Capital stock	200,000	200,000
Earned surplus‡	1,451,021	1,174,620
*After depr. of	619,062	588,529
‡Incl. ref. EPT	225,500	225,500
§Incl. in curr. assets in co's. report.		
Working capital	849,209	712,336

Announcing . . .

CASUALTY INSURANCE SERVICE

For many years it has been our privilege to service our policyholders with FIRE INSURANCE at substantial savings, and we are now pleased to announce an extension of this service into the Casualty Insurance Field.

This means that we can give you the same type of service, at a saving on your:
AUTOMOBILE
LIABILITY
BURGLARY
FIDELITY-BONDS

Arrangements have been made with a Mutual Casualty Company — a company we can thoroughly recommend, to provide Casualty Insurance Service to policyholders of the FEDERATED MUTUAL at a SUBSTANTIAL SAVING IN COST.

This means that for your convenience all your insurance requirements can be handled by ONE REPRESENTATIVE. Your inquiry will receive preferred attention.

Federated Mutual
MUTUAL IMPLEMENT AND HARDWARE INSURANCE COMPANY
R. F. WILSON, Chief Agent

Western Office: TORONTO GENERAL TRUSTS BUILDING WINNIPEG, MAN.
Eastern Office: 9 RICHMOND ST. EAST TORONTO, ONT.

AMERICAN AUTOMOBILE INSURANCE COMPANY
SAINT LOUIS

AMERICAN AUTOMOBILE INSURANCE COMPANY

FINANCIAL STATEMENT
December 31, 1947

ASSETS

Cash in Banks and Offices		$11,946,931.46
U.S. and Canadian Government Securities.		25,252,950.00
Preferred and Common Stocks		10,063,540.27
Premiums in Course of Collection (Less than 90 days old)		6,063,478.81
Accrued Interest and Miscellaneous Assets		594,301.82
Total Admitted Assets		$53,921,202.36

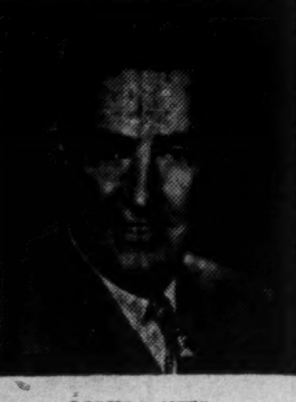
On Deposit with Dominion Government for Protection of Canadian Policyholders... $ 1,055,000.00

LIABILITIES

Reserve for Unearned Premiums		$16,491,212.44
Reserve for Losses and Loss Adjustment Expenses		16,752,027.22
Reserve for Commissions		1,471,065.76
Reserve for Taxes		1,032,641.16
Reserve for Expenses and Other Liabilities		77,427.93
Total Liabilities except Capital		$35,824,374.51
Capital Stock	$ 2,000,000.00	
Surplus	16,096,827.85	
Surplus as regards Policyholders		18,096,827.85
Total		$53,921,202.36

SHAW & BEGG, LIMITED
CANADIAN MANAGERS
Insurance Exchange Building, 14-24 Toronto St., Toronto 1, Ont.

MUTUAL BENEFIT APPOINTMENT



ROBERT S. LITTLE

Mutual Benefit Health and Accident Association announce the appointment of R. S. (Bob) Little to the position of Sales Supervisor of their Toronto City Agency as of April 1st.

A phone call in time may save you $$$

In your own interests do two things—

1. Determine the value of your property at today's values.
2. Review the adequacy of your present insurance protection.

Then—phone or get in touch with your agent and increase your insurance in accordance with costs of today. Otherwise you risk serious loss.

HARRY PRICE INSURANCE AGENCIES LIMITED

15 KING ST. WEST

TORONTO

Business Borrowings Show Decline Savings Bank Deposits at New High

An increase in deposits and a decline in loans are the main features of the regular monthly return of the chartered banks to the Finance Minister as at Feb. 28.

Current loans on that date were $1.8 billions, almost $30 millions below the previous month but $392 millions over the same date last year.

Inventory Loans Discouraged

Apart for many other factors that may have been operative during the month, the banks are not at present encouraging borrowing by wholesalers or industries to finance large inventories of goods or materials. Nor are long-term loans for more than, say two years, for capital expenditures being favored. The Dominion Government is discouraging capital investments requiring the use of U. S. dollars, and this policy naturally affects bank lending.

Call loans in Canada were lower, probably the result of of quieter stock markets and the desire of many people holding stocks on margin to make their position more liquid.

Borrowing by provincial and municipal governments meanwhile was slightly more active, reflecting expenditures on spring operations, pending receipt of taxes or arrangement of long-term financing.

Meanwhile savings deposits which had shown an increase in January again advanced. In some quarters this was attributed in part to certain financing operations with individuals mobilizing their funds to buy securities.

Savings deposits passed the record established in January, by $56 millions, while demand deposits which fell sharply in January recovered $32 millions of the $222 million January decline.

Dominion Government deposits were lower both for the month and for the year. Deposits by the Provincial Governments were higher than in January but below the total for the same date last year.

Total bank investments were down slightly.

Foreign business of the banks shows current loans down $12 millions, call loans up $15 millions, with deposits also lower.

Important items in the report with comparisons follow.

Use of Bank Credit in Canada
(In Millions of Dollars)

	Feb. 1948	Jan. 1948	Change	Feb. 1947	Change
Loans	2,002.8	2,029.3	—26.5	1,660.5	+342.3
Investments	3,968.3	3,971.7	—3.4	4,264.1	—295.8
Total	5,971.1	6,001.0	—29.9	5,924.6	+46.5
Deposits	5,985.9	5,897.3	+88.6	5,731.6	+254.3
Credit index*	33.6%	34.4%	—0.8%	29.0%	+4.6%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

Immediately Available Liquid Assets
(In Thousands of Dollars)

	Feb. 1948	Jan. 1948	Change	Feb. 1947	Change
Canadian coin	11,305	11,922	—617	11,901	—596
Bank of Canada notes	135,770	147,221	—11,451	129,157	+6,613
Bank of Canada deposits	531,759	538,323	—6,564	493,608	+38,151
Bank's cash	678,834	697,466	—18,632	634,666	+44,168
Gold sub. coin abd.	3,095	3,269	—174	2,842	+153
Foreign banks	189,155	184,435	+3,720	181,549	+7,606
Foreign currency	102,691	113,552	—10,861	95,281	+7,410
Call loans abroad	72,800	57,680	+15,120	72,689	+111
Government securities:					
Dom. short term	711,102	730,654	—19,552	1,020,093	—308,991
Prov. short term	108,678	106,692	+1,986	118,554	—9,876
Dom. long term	2,026,111	2,012,693	+13,418	2,140,661	—114,550
Prov. long term	345,603	347,133	—1,530	246,490	+99,113
	4,238,069	4,254,574	—16,505	4,512,825	—274,756

Loans and Securities Other Than Those of Canadian Governments

	Feb. 1948	Jan. 1948	Change	Feb. 1947	Change
Municipal secs.	132,836	133,989	—1,153	155,412	—22,576
Public secs.‡	263,549	263,009	+540	319,196	—55,647
Other secs.	380,470	377,555	+2,915	263,763	+116,707
Can. call loans	69,990	76,730	—6,740	154,797	—84,807
Current loans	1,860,934	1,890,835	—29,901	1,468,278	+392,656
Loans abroad	223,691	235,926	—12,235	190,895	+32,796
Prov. loans	26,221	22,833	+3,388	6,972	+19,249
Mun. loans	45,737	38,939	+6,798	30,536	+15,201
	3,003,428	3,039,816	—36,388	2,589,849	+413,579

Other Assets

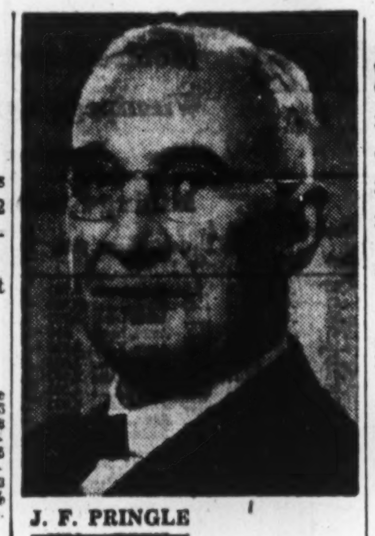
	Feb. 1948	Jan. 1948	Change	Feb. 1947	Change
Noncurrent loans	1,324	1,279	+45	961	+363
Real estate	597	605	—8	789	—192
Mortgages	1,108	1,149	—41	1,600	—492
Premises	71,288	70,771	+517	65,267	+6,021
Letters of Credit	207,036	202,820	+4,216	208,242	—1,206
Loans to comp.	11,466	11,407	+59	10,633	+833
Other assets	6,932	6,817	+115	5,890	+1,042
	299,751	294,848	+4,903	293,382	+6,369
Total	7,541,248	7,589,238	—47,990	7,396,056	+145,192
Note in circ. dep.	1,111	1,111	......	1,336	—225
Int. bank bal.	232,714	234,333	—1,619	352,202	—120,488
Gross	7,775,073	7,824,682	—49,609	7,750,594	+24,479

LIABILITIES

To the Public

	Feb. 1948	Jan. 1948	Change	Feb. 1947	Change
Circulation	17,818	17,990	—172	20,894	—3,076
Dom. Govt.	132,917	278,998	—146,081	299,328	—166,411
Prov. Govt.	107,654	104,337	+3,317	140,242	—32,588
Deposits by Public					
Demand dep.	2,105,426	2,073,302	+32,124	2,145,427	—40,001
Savings dep.	3,880,548	3,824,001	+56,547	2,586,263	+294,285
Total	5,985,974	5,897,303	+88,671	5,731,690	+254,284
Foreign Deposits					
Dep. elsewhere	723,157	724,923	—1,766	779,667	—56,510
For. curr. in Canada	78,053	83,771	—5,718	84,690	—6,637
Total	801,210	808,694	—7,484	864,357	—63,147
Due to Banks Abroad					
United Kingdom	40,670	42,036	—1,366	24,694	+15,976
Foreign	113,152	103,689	+9,463	103,937	+9,215
Letters of Credit	207,036	202,820	+4,216	208,242	—1,206
Other liab.	4,804	5,324	—520	2,501	+2,303
Total public liab.	7,411,235	7,461,191	—49,956	7,395,885	+15,350
Due other banks	21,686	20,094	+1,592	20,075	+1,611
Liability to Shareholders					
Dividends	2,180	3,425	—1,245	1,962	+218
Reserve	181,750	181,750	......	176,750	+5,000
Capital stock	145,500	145,500	......	145,500	......
Gross	7,762,351	7,811,960	—49,609	7,740,172	+22,179

‡Other than Canadian.



J. F. PRINGLE

has been appointed vice-president of the Canadian National Railways (Toronto).

BANK OF CANADA

	Mar. 31 1948 $	Mar. 24 1948 $
Capital paid-up	5,000,000	5,000,000
Rest fund	10,030,367	10,030,367
Notes in circ.	1,180,784,395	1,172,847,439
Depostis: Dom.	42,220,498	46,157,357
Chart./banks	519,211,261	535,419,319
Other	86,705,284	72,121,813
Total deposits	648,137,043	653,698,489
Liabs. payable in sterling, U.S.A. and for'n. gold currencies:		
Deposits	133,591	133,595
All other liabs.	10,710,122	10,745,057
Total liabs.	1,854,815,518	1,852,474,947
Assets		
Sterling & for'n. exchange	133,591	133,591
Other currencies	146,734	169,069
Total	280,325	302,660
Subsid. coin	250,737	258,793
Investments:		
Dom. govt. sh.	985,241,377	983,797,032
Oth. Dom. gov.	806,728,680	822,458,874
Total invest	1,791,970,057	1,806,255,906
Ind. dev. bank		
Total share cap. at cost	25,000,000	25,000,000
Premises	2,407,771	2,407,771
All other assets	34,906,628	18,249,817
Total assets	1,854,815,518	1,852,474,947

More Space Planned For Chrysler Trucks

Space now occupied as offices at Chrysler Corp.'s Windsor, Ont., plant will be added to facilities for truckmaking (Dodge, Fargo). The move will be made at year-end, with completion of a proposed new office building at the plant. Hamilton Architects W. R. Souter & Associates are receiving contractors' tenders for the new office block. It will be two stories, E-shape, 80,320 sq. ft., mainly steel and brick and, according to Chrysler vice-president and general manager E. C. Row, entirely of Canadian material. Cost is put at over $1 million.

Staff Changes

The Bank of Nova Scotia announces the following staff changes:

C. E. CROOKS, to be an assistant supervisor at head office.

H. L. SMITH, to be manager Kingsway & Victoria, Vancouver.

G. H. BAWDEN, to be accountant Avenue Rd. & St. Clair, Toronto.

R. E. LAPP, to be assistant accountant Vancouver.

B. T. DUNPHY, to be an assistant inspector, attached to the supervisor's office, Saint John, N.B.

K. A. MacLAREN, to be accountant Kemptville, Ont.

* * *

The Canadian Bank of Comerce announces the following staff changes:

M. H. SMITH, formerly manager Portage & Garry, Winnipeg, to be manager, Lethbridge, Alta.

W. E. BLUM, formerly an assistant inspector in the department of the superintendent of Quebec branches, Montreal, to be manager, St. Catherine & Metcalfe, Montreal.

W. T. COOK, formerly manager, Lethbridge, Alta., to be manager, Vancouver.

* * *

The Royal Bank of Canada announces the following staff changes:

J. V. B. SAINT-CYR, manager, St. Hubert St., Montreal, to be manager, St. Hyacinthe, Que.

W. L. GODIN, accountant, Mt. Royal and St. Lawrence, Montreal, to be manager St. Hubert St., Montreal.

A. C. ROSS, accountant Cornwall, Ont., to be manager, Manotick, Ont.

J. C. BENMORE, accountant, Mt. Pleasant, Vancouver, to be manager, Kingsway & Slocan, Vancouver.

J. C. MacDONALD, accountant, Victoria, B.C., to be accountant, Vancouver, B.C.

D. R. SAUNDERS, to be accountant, Victoria, B.C.

A. G. OLIVER, accountant, Nanaimo, B.C., to be accountant, New Westminster, B.C.

W. R. ALLISON, accountant, Ottawa, Bank & Somerset, to be accountant, Cornwall, Ont.

R. J. CUTHERTSON, Shaunavon, Sask., retires.

IF YOU USE BOILERS . . .

Every user of steam boilers should have the protection of insurance . . . and of inspections of the type made by this Company on all boilers it insures.

We employ a trained staff of specialists who inspect periodically the equipment covered by this Company's policies. The advice of these men often add years to the usable life of expensive installations.

Ask your broker or agent for details.

The Boiler Inspection and Insurance Co. of Canada

Lily Time, Bermuda

Dear Jane and Jim
April is certainly the loveliest of times in Bermuda. The lilies are a riot of bloom. We swim and loll on the pink sands every day. When you come, bring your golf clubs. And don't forget your dinner clothes. Dancing under this magic moon is a dream come true. Let us know whether you're coming by plane or boat.
Bob and Alice

For new illustrated booklet, write The Bermuda Trade Development Board, 372 Bay Street, Toronto, Canada. Currency restrictions do not affect a Bermuda vacation.

EVERYTHING IS BETTER IN *Bermuda*

1792 1948

INSURANCE COMPANY OF NORTH AMERICA AND AFFILIATED COMPANIES

GROUP ASSETS
as at December 31, 1947
exceeded $297,000,000

SURPLUS TO POLICYHOLDERS
as at December 31, 1947
exceeded $121,000,000

Now in its 156th year of operation (founded in 1792) the North America Group of Companies comprises one of the oldest and financially strongest Fire, Marine and Casualty Insurance Institutions in the world.

Branches throughout Canada

INSURANCE COMPANY OF NORTH AMERICA COMPANIES

CANADIAN HEAD OFFICE — TORONTO

FIRE • MARINE • CASUALTY

INSURANCE COMPANY OF NORTH AMERICA
INDEMNITY INSURANCE COMPANY OF NORTH AMERICA
THE ALLIANCE INSURANCE COMPANY OF PHILADELPHIA
PHILADELPHIA FIRE AND MARINE INSURANCE COMPANY

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

TAYLOR, PEARSON & CARSON (Canada) 1947 net profit amounted to $242,142 ($151,857 net profit for eight months of 1946 for parent company). An upward revision in payrolls added considerably to operating expense, while a good deal of nonrecurring expense was absorbed during the year, such as moving the two transmitter stations in Calgary and Edmonton to new sites. The Grande Prairie branch was opened on Apr. 23 last and the new warehouse in Lloydminster was occupied in November.

Through a new subsidiary setup the company now has a permanent substantial interest in CJCA radio station Edmonton and CFAC Calgary. Outlook for 1948 is favorable, President H. E. Pearson states.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$465,744	$478,565
Less: Deprec.	33,983	19,030
Pension fund	25,694	20,656
Inc. taxes	163,925	208,706
Subs. earns. Jan 1—May 7/46	......	§78,316
Net profit	242,142	*151,857
Less: Pref. divds.	12,500	6,250
Common divds.	50,000	50,000
Surplus	179,642	95,607

§Subs. earnings prior to inception of parent co., treated as capital.
*8 months prof. of parent co.

Earnings per Share and Dividend Record:		
Preferred	$9.69	†$6.07
Paid	0.50	0.25
Common	1.15	†0.73
Paid	0.25	0.25

†Based on 8 months earnings; on 12 mos. basis common earned $1.09 per sh.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & Dom. bds.	$236,029	$314,367
Accts. rec.	447,739	376,089
Life ins., c.s.v.	19,936	18,080
Inventories	955,796	732,484
Total curr. assets	1,659,503	1,441,020
Inv., adv., etc.	86,710	86,150
Prep. exp., etc.▲	146,156	162,427
Fixed assets*	526,174	294,183
Total assets	2,418,549	1,983,780
Bank loan	25,000	......
Accts., tax., etc., pay.	557,993	454,719
Total curr. liab.	582,998	454,719
Def. liab.	197,324	70,478
Capital stock	1,362,976	1,362,976
Earned surplus▲	275,249	95,607
▲Incl. ref. EPT	80,481	80,216
*After depr. of	198,808	184,648
Working capital	1,076,509	986,301

THEATRE PROPERTIES (HAMILTON) LTD. net profit for the 53-week period ended Jan. 3, 1948, was off 23.5% from previous year ended Dec. 28, 1946. Working capital was off sharply at $11,174.

INCOME ACCOUNT

	53 Weeks ended Jan. 3 1948	52 Weeks ended Dec. 28 1946
Net oper. profit	$118,253	$131,804
Less: Deprec.	40,198	40,214
Bond int.	22,677	24,250
Amort. bd. exp.	1,133	1,182
Inc. tax res.	20,590	26,936
Net profit & surplus for year	33,655	39,222
Earnings per Share and Dividend Record:		
Common: Earned	$0.35	$0.40
None paid.		

BALANCE SHEET

As at:	Jan. 3 1948	Dec. 28 1946
Cash	$12,916	$111,136
Accts. rec.	612	......
Accr. rentals & profits	15,103	22,113
Total curr. assets	28,631	133,249
Sinking fund dep.	......	154
Ref. EPT	10,834	10,834
Bd. disc. & exp.	......	10,332
Misc. prepayts.	479	479
Fixed assets‡	463,648	503,847
Total assets	503,592	658,895
Accts. & tax pay.	15,357	16,582
Bd. int. accr.	2,100	12,465
Total curr. liabs.	17,457	29,047
Funded debt	320,000	479,100
Capital stock	50,078	50,078
Earned surplus	116,057	100,670
‡After deprec. of	160,794	120,595
Working capital	11,174	104,202

SUPERTEST PETROLEUM CORP. 1947 net profit was up 10.7%. Sales were at a higher level than in any other previous year. Having regard to a substantially increased profit from sale of tires and to a decrease in income taxes, the improvement in earnings was not in proportion to the increase in sales, President J. G. Thompson states. Under continually rising costs, an ever-increasing volume of sales is required to maintain a satisfactory profit, it is said.

High construction costs and shortage of materials have brought about a postponement of a planned expansion plan. Emphasis will continue to be placed on modernization of existing facilities and adequate maintenance of same.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings*	$1,425,625	$1,373,017
Less: Income tax	625,000	650,000
Net profit	800,625	723,017
Less: Divds.	231,731	231,732
Surplus for year	568,894	491,285

*After depreciation.

Earnings per Share and Dividend Record:		
Cl. B pf.: Earned	$102.11	$92.21
Paid	1.50	1.50
Common & ord.:		
Earned	7.17	6.47
Paid or pay.	2.00	2.00

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$517,482	$266,729
Accts. rec.	1,370,464	1,189,957
Life ins. c.s.v.	37,033	34,698
Merchandise	828,882	455,487
Total curr. assets	2,753,869	1,946,871
Supp. & prep. exp.§	44,032	29,765
Investments†	2,087,439	2,320,232
Fixed assets	7,461,337	6,614,578
Total assets	12,346,670	10,911,446
Total curr. liab.	2,459,052	1,848,478
Depr. reserve	3,548,050	3,284,066
Misc. res.	791,423	799,650
Capital stock	1,099,839	1,099,840
Surplus	4,448,306	3,879,412

†Incl. invest. in subsids. §Incl. in curr. assets in co's. report.

Working capital	294,810	98,393

DUSTBANE PRODUCTS LIMITED

IN MONTREAL

Men of affairs naturally stop at the WINDSOR because of its reputation for dignified comfort, unobtrusive, courteous service and its convenient location—and because the WINDSOR is recognized as the proper place for business and social meetings.

THE *Windsor*
ON DOMINION SQUARE
J. ALDERIC RAYMOND, PRESIDENT

quality paper that lowers printing costs

The single streamlined operation which produces Thriftcoat Enamel, Provincial's new type of coated paper, allows you to buy quality printing at lower prices. Made and coated on one machine, Thriftcoat Enamel sells at prices close to uncoated stocks but has all the advantages of regular coated stocks.

Developed by Provincial Paper Limited, Thriftcoat Enamel has been received and used with enthusiasm by printers for booklets, catalogues, folders and magazines. Provincial Paper is proud of Thriftcoat Enamel. And you will be proud of the results as well as the savings when you use this economical coated stock.

For quality reproduction of halftones on your next printing job ask your printer to use

PROVINCIAL PAPER LIMITED

TORONTO ONTARIO

THIS WEEK'S QUOTATIONS

Montreal and Toronto Winnipeg, Calgary and Vancouver

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING APRIL 3

Range 1948 High	Low	Div R'te $	Apr 2 Y'ld %		Sales	Last Mar. 25	Week end. Apr. 2 H	L	Cl'se
17½	12½	..	...	Abitibi, new	6389	14½	15½	14½	14½
20½	17½	1.50	8.0	Do. $1.50 pf n	4295	19	19½	18½	18½
19	16½	1.00	5.8	Acadia-Atlan A	160	17	18	18	18
101	98	5.00	5.0	Do. 5% pref.	50	100	100	100	100
9	7½	.50	6.3	Agnew Surp.	75	8	8	8	8
36	32½	..	...	Algoma Steel	4365	42½	44½	42½	43½
25	24	1.00	4.1	Alum. of Can. p	680	24½	24½	24	24½
49½	42	..	...	Aluminum new	8175	45	49½	44½	49½
49	47	2.25	4.7	Ang Can Tel p	10	47	47½	47½	47½
7½	5½	.60	9.7	Argus	220	6	6½	6½	6½
83	67	4.50	6.7	Do. 4½% pf.	25	69½	67	67	67

Range 1948 High	Low	Div R'te $	Apr 2 Y'ld %		Sales	Last Mar. 25	Week end. Apr. 2 H	L	Cl'se
44	40½	2.50	6.1	Do. A pref.	55	40½	41	40½	41
12	10½	†.40	...	Gt. West Coal	150	11	11½	11½	11½
5	4	.20	4.9	Greening Wire	100	4½	4½	4½	4½
16	13	1.00	7.0	Gypsum Lime	1100	14½	14½	13½	14½
15½	14	.80	5.4	Halifax Ins.	86	14½	14½	14½	14½
15	14	.90	6.2	Ham. Cot.	25	14½	14½	14½	14½
11½	9½	.80	7.8	Harding Carpet	310	10	10½	10	10½
34	20	‡.50	...	Hayes Steel	25	24	26	26	26
19½	18	1.00	5.3	Hinde & Dauch	75	19½	19	19	19
30½	23½	1.00	3.3	H. Smith Pap.	1667	26½	30	27	30
48	44	2.00	4.5	Do. pref.	170	44½	44½	44	44½

Mining Stocks

Range 1948 High	Low	Div. Rate $	Apr. 2 Yield %	Company	Sales	Last Mar. 25	Week Ending Apr. 2 High	Low	Close
.90	.60	....	....	Akaitcho	2,000	.71	.78	.75	.74
.13	.03	....	....	Alger	44,300	.04	.04	.03½	.04
.38	.20	....	....	Amal. Lard.	4,700	.22	.22	.20	.21
.45	.22½	....	....	Amer. Neph.	500	.30	.30	.30	.30
.16½	.09	....	....	Amer. Y.K.	3,000	.11½	.10½	.10	.10½
.65	.32	....	....	Anglo-Rou.	1,600	.37½	.42	.35	.42
.31	.09½	....	....	Aquarius	2,000	.10½	.14	.12½	.14
.09	.06	....	....	Area	4,500	.07	.09	.08½	.09
.38	.15	....	....	Armistice	5,500	.19	.22	.19	.22

Oil Stocks

Range 1948 High	Low	Div. Rate $	Apr. 2 Yield %	Company	Sales	Last Mar. 25	Week Ending Apr. 2 High	Low	Close
.06	.03	....	....	Richfield	300	.03	.03	.03	.03
.49	.25	....	....	Roxana	3,500	.29	.28	.25	.28
.15	.09	....	....	Royal Can.	26,000	.13	.13½	.13	.13
19.00	16.00	1.00	6.1	Royalite	65	16.00	16.50	16.50	16.50
.19	.10½	....	....	So. Braseau	3,000	.13½	.13½	.13	.13½
.32	.24	....	....	So. West Pete	700	.30	.30	.27	.30
.20	.15	†.10½	....	Spooner	25	.15	.15	.15	.15
.10	.08	§.01½	....	Sunset	1,000	.09	.08½	.08½	.08½
.29	.23	....	....	Superior	1,000	.25	.25	.25	.25
.05½	.05	....	....	Three Point	2,500	.05½	.05	.05	.05
1.35	1.15	....	....	Texas Can.	5	1.20	1.15	1.15	1.15
.19	.12	....	....	Vanalta	1,500	.14½	.13	.12½	.13
.35	.20	....	....	Vulcan	1,300	.20	.23	.21	.23
.07	.05	....	....	Warner	2,000	.05	.05	.05	.05
.08	.04	....	....	Welington	1,300	.06	.05	.04	.04
.10	.03½	....	....	York Oils	3,000	.08½	.07½	.07	.07

* N. Y. Funds. a Extra.
‡ Paid in 1946. ‡ Capital Repayment. ♦ Dividend deferred.
§ Paid in 1947. † Paid or payable in 1948.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Apr. 5	192,000	766,000	107,096	33,794	1,340,000
Apr. 3	116,600	314,000	20,140	21,800	640,000
Apr. 2	191,500	654,000	81,650	63,583	1,380,000
Apr. 1	203,000	754,000	73,318	29,107	1,850,000
Mar. 31	242,400	776,000	61,352	47,305	2,130,000
Mar. 30	250,400	974,000	67,800	64,980	1,290,000

STOCKS NOT TRADED THIS WEEK

Mining Stocks

Unlisted Mines

Approximate quotations, 3 p.m., April 5, subject to confirmation:

	Bid	Ask		Bid	Ask		Bid	Ask		Bid	Ask
Abenakis	2½	3½	Durham	9	12	Mar Bird	5	7	Presdor	2	3
Advance	3	5	Doris	1	3	Mary Ann	3	6	Princess	8	10
Alexander	4½	6	Echo Indin	4½	6	Mat Con	35	40	Princeton	—	20
Alcan	2	4	Electra	4	7	Mate Yel	4	6	Privateer	18	23
Aljo	1½	3	Elmac	4	6	Metalore	3	6	Quejo	3½	4½
Anna'que	1½	3	Erin Kirk	2	3	Miles RL	10	12	Quest	3½	4½
Ama Kir	4½	6	Eltoro	—	15	Mindus	2	12	Rajah RL	2	5
Argonaut	1½	3	Flicka	1	2	do vt	2	4	Rambull	1	2½
Audley	1	2	Gan Gop	1½	3	Mink	4	6	Rand Mal	4	6
Aurora Y	9	12	Gilbec	½	1½	Mistassini	18	20	Randona	3	5
Auterra	½	1½	Goldpac	15	20	Moffat H	1½	2½	Raymond	2	3
Baker	2	4	Goodrock	1½	2½	Mohawk P	2	4	Rebair	20	23
Barb L n	2	4	Gord Lebel	5	7	Murbell	1	2	Redruth	1	2
Beauriv	2	4	Gov Gold	2½	4	Murmac	9	11	Redwood	6	7
Bi Ore	35	40	Grnd Chib	2½	4	McCuaig	6	8	Richgroup	5	7
Blondor	1	2	Granleduc	40	45	McManus	5	7	Rhyolite	1½	2½
Blue Grass	1	3	Greenlee	3	4	Nat M	12	14	Russet	5	7
Bouzanne	4	6	Grndhog	10	15	Nayb '45	23	28	Salmita	5½	7½
Bradnor	2	4	Gwilliam	2½	3	Newcore	23	25	Santiago	13	15
Bourl C	2	4	Halden	9	11	New Aug	6	8	Sepha	2	3
Br Breest	1	3	Habitant	3	4	New Mal	2½	4	Sheldon	16	19
Braminco	14	17	Harp Mal	1½	2½	Nw Ranch	6½	8	Silv-Arro	—	15
Bravo	1	2	Hayes Cd	—	2	Nickel L	—	16	Skynner	1	2
Bright RL	2½	3½	Hornfault	8	10	N Offsets	240	300	Sovereign	3	5
B McDade	9	11	Hugh Pam	7	10	Norbeau	40	50	Starlight	3½	5
Burley Po	1	2	Independ	5	7	Norcourt	3½	4½	Steeber	1	2
Camlaren	3	5	Joannes D	1½	3	Norford	1½	2½	Sun Bear	3½	5
Captain	2	4	Kamlac	11	13	Normar	6	8	Thornhill	1	2
Carlmac	—	4	Ken Bay	6	8	Nortyne	—	3	Tifany	1	2
Carricona	2½	4	Kencour	2	4	Novele P	1	3	Tobico	1½	2½
Cassidy	4	6	Kenda Pe	8	10	Obalski	4	7	Tovarich	½	1½
Cen Mani	6	6	Kenroy	1	2	do '45	7	9	Trans A	80	100
Cock RL	2½	3½	Lk Expa	6	8	Obaska	9	11	Universal	2	4
Columbier	2	3	Lar-Add	2	4	Oklend	3½	4½	Val d'Bel	2½	3½
Con Chib	19	21	La Salle	5½	6½	Olivet	2	3	Vermilion	22	25
Con Cop	9	10	Lavalie	2	3	Opemiska	11	14	Viking	20	25
Courageo	2	4	Legardo	1	2	Ortona	4	5	Villa Lead	2	5
Craibbe	6	8	Lennie	2	4	Palermo	—	20	incent	4½	6
Croydon	3	5	Lingnora	15	18	Pascalis	12	15	Vinra	—	5
Cuyuni	33	35	Louvore	1	2	Peg Tant	—	40	Wesley	1	3
Delhi	3½	5	Macho-R	8	11	Pelangio	3½	4½	West RL	2	3
Derlak	3½	5	Major Oil	3½	4½	Payne	5	7	Wilwood	1½	3
De Sant n	4	6	Malen RL	4½	6	Phelps	1½	2½	Yelknife	135	175
Dom Mal	1	2	Marbenor	7	9	Pinnacle	1½	2½	do vt	135	175
Dom Nick	4	6	Marquette	2	4	Poona Go	1	3	Y Davids	18	20
Dona Pat	1	2									

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 10	Pulp and paper 8	Milling 4	Oils 4	Textiles and clothing 9	Food and allied prod. 13	Beverages 8	Bldg. mater. 16	Power and traction 14	Banks 8	Total utilities 16	Total co's. 100
(Base 1935-39=100)												
*1935 to date:												
High	210.2	287.9	149.7	123.7	214.4	138.5	447.0	168.5	146.2	136.3	149.0	126.1
Low	69.7	51.6	61.2	41.2	78.4	73.5	79.3	66.7	60.2	60.0	65.2	61.1
1947: Monthly Figures:												
Jan.	179.9	253.7	124.9	63.0	182.9	124.0	303.5	124.0	108.1	133.1	117.7	106.2
Feb.	184.9	264.3	125.3	68.6	190.6	129.3	302.5	145.3	110.4	133.4	121.8	109.4
Mar.	180.5	257.6	123.1	65.8	185.9	129.3	291.9	140.2	112.6	130.6	120.1	106.4
Apr.	180.9	242.3	122.8	64.4	180.1	128.6	281.6	136.8	110.3	130.1	117.7	104.8
May	180.3	234.7	120.2	66.9	177.0	127.5	279.5	136.4	109.2	130.7	115.6	104.4
June	177.1	244.5	119.7	67.9	178.0	126.7	289.3	135.8	110.5	129.2	118.7	105.2
July	183.4	261.0	119.3	68.8	179.7	127.3	307.2	136.6	110.6	129.0	120.2	107.4
Aug.	182.1	255.4	117.8	66.6	178.8	126.9	303.1	135.0	108.8	129.4	117.1	105.5
Sept.	178.7	258.6	117.2	64.2	176.2	124.4	304.0	132.9	109.8	128.6	116.9	104.1
Oct.	185.4	275.4	118.1	63.5	180.3	121.7	320.0	133.9	108.9	126.8	117.0	105.3
Nov.	188.0	281.9	119.0	67.1	191.1	121.1	324.0	138.2	107.0	135.0	114.7	107.2
Dec.	190.2	271.4	116.2	65.8	188.6	121.8	321.0	136.1	102.6	133.6	112.1	106.2
1948: Monthly Figures:												
Jan.	189.8	261.9	113.8	70.5	188.4	117.6	312.6	132.6	101.4	132.5	112.9	107.5
Feb.	179.7	242.7	105.5	65.8	185.3	111.8	294.1	122.5	96.2	129.7	110.1	102.2
1948: Weekly Figures:												
Mar. 4	185.4	246.2	104.1	65.4	188.7	110.0	291.1	121.1	98.1	127.7	107.8	101.4
Mar. 11	188.4	245.3	104.6	64.7	188.8	109.9	287.4	122.1	97.6	128.5	107.2	101.2
Mar. 18	184.1	235.4	105.8	64.0	179.6	106.5	277.7	120.3	95.7	128.9	105.5	99.8
Mar. 25	185.8	247.9	105.2	66.8	189.4	109.9	302.5	122.2	102.3	126.0	109.2	103.4
Apr. 1	196.9	252.1	108.6	67.7	188.5	110.1	306.4	124.7	102.1	125.1	112.4	105.9

*High and low for year from 1935 to date inclusive are based on weekly figures issued by Dominion Bureau of Statistics.

Dow-Jones Closing Stock Averages

	30 Indust.	20 Rails	15 Util.	65 Stocks
Apr. 5	177.92	54.12	33.54	64.92
Apr. 3	177.45	53.93	33.41	64.73
Apr. 2	177.32	53.78	33.37	64.64
Apr. 1	177.61	53.76	33.35	64.69
Mar. 31	177.20	53.73	33.27	64.57
Mar. 30	175.23	52.87	33.02	63.81
Month ago	167.71	49.48	31.90	60.82
Year ago	175.39	47.90	35.74	62.89
1948 High	181.04	53.85	33.91	65.31
1948 Low	165.39	48.13	31.65	59.89

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Apr. 5	165.66	94.88	88.25	33.17
Apr. 3	163.75	93.20	86.40	35.07
Apr. 2	169.21	93.72	86.43	32.92
Apr. 1	163.14	93.58	87.60	32.59
Mar. 31	163.40	93.88	86.61	32.76
Mar. 30	161.22	93.42	85.53	32.43
Month ago	156.52	102.41	82.61	32.73
Year ago	171.47	110.06	87.45	24.84
1948 High	172.23	104.68	90.84	37.77
1948 Low	149.13	91.87	77.67	28.68

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Comb.	10 Pprs.	15 Golds
Apr. 5	71.9	119.5	103.6	330.37	65.19
Apr. 3	71.8	117.7	102.4	330.45	65.48
Apr. 2	71.5	116.9	101.8	330.97	65.45
Apr. 1	71.7	115.8	101.1	328.66	65.69
Mar. 31	72.1	116.6	101.8	332.97	65.67
Mar. 30	72.0	115.1	100.7	322.94	66.61
Month ago	72.4	113.5	99.8	315.39	73.87
Year ago	76.5	122.9	107.5	339.92	74.05
1948 High	74.5	125.1	108.1	371.48	74.92
1948 Low	70.7	108.0	95.7	290.26	65.19

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments. Offerings of Corporations and Foreign Securities.

CORPORATE

York Knitting Mills—4% first mortgage serial and sinking fund bonds, series B, due June 15, 1952-61-71, $1,000,000, dated Dec. 15, 1947. Sold at $99 and accrued interest, to yield 4.06% to Wood, Gundy & Co., Ltd.; Wills, Bickle & Co. This issue has been completely sold.

British Columbia Electric — 3¾% first mortgage bonds, series C, due Apr. 1, 1968, $17,000,000, dated Apr. 1, 1948. Offered at $99 and accrued interest to yield over 3.80%, by Nesbitt, Thomson & Co., Ltd.; Dominion Securities Corp. Ltd.; Pemberton & Son, Vancouver, Ltd.; Collier, Norris & Quinlan Ltd., Rene-T. Leclerc Inc.; Bell, Gouinlock & Co., Ltd.; James Richardson & Sons; Burns Bros. & Denton Ltd.; Hagar Investments Ltd.; J. C. Mackintosh & Co., Ltd.; Fairclough & Co., Ltd.; Carlile & McCarthy Ltd.; Okanagan Investments Co., Ltd.; Wood, Gundy & Co. Ltd.; Royal Securities Corp., Ltd.; W. C. Pitfield & Co., Ltd.; Greenshields & Co., Inc.; Mills Spence & Co., Ltd.; Eastern Securities Co., Ltd.; The Western City Co., Ltd.; McMahon and Burns Ltd.; R. A. Daly Co., Ltd.; Tanner & Co., Ltd.; Thomas B. Read & Co.; Anderson & Co.; Societe de Placements, Inc.; A. E. Ames & Co., Ltd.; McLeod, Young, Weir & Co., Ltd.; Cochran, Murray & Co., Ltd.; Midland Securities Ltd.; W. C. Harris & Co., Ltd.; Savard, Hodgson & Co., Inc.; Yorkshire Securities, Ltd.; A. E. Jukes & Co., Ltd.; F. J. Brennan & Co., Ltd.; Melady, Sellars & Co., Ltd.; Lauder, Mercer & Co., Ltd.

Fleet Manufacturing — 5% debentures, due Jan. 31, 1949-51-68, $500,000, dated Jan. 31, 1948. Offered at $75 plus accrued interest per $100 debenture by Harrison & Co.

COMMON STOCKS

R. L. Crain—30,000 shares capital stock (no par value). Offered at $7.50 per share by W. C. Pitfield & Co., Ltd.

Company Meetings

1948	Company	Place
Apr. 8	Barcelona Tract'n	London, Eng.
Apr. 8	Gen. Steel Wares	Montreal
Apr. 9	Fanny Farmer	Bronx, N.Y.
Apr. 9	Great West Felt	Elmira, Ont.
Apr. 9	Norpick Gold	Toronto
Apr. 12	Atlas Steels	Welland, Ont.
Apr. 12	London Can. Invest.	Montreal
Apr. 13	Anglo-Candn. Tel.	Montreal
Apr. 13	Candn. Westinghouse	Hamilton
Apr. 14	Celanese Corp.	New York City
Apr. 14	Crown Cork & Seal	Toronto
Apr. 15	Auto Fabric	Montreal
Apr. 15	Candn. W. Lumber	Vancouver
Apr. 15	Dom. Tar & Chem.	Montreal
Apr. 15	Hallnor Mines	Toronto
Apr. 15	Hendershot Paper	Hamilton
Apr. 15	La Luz Mines	Toronto
Apr. 15	Ottawa Electric	Ottawa
Apr. 15	Pamour Porc. Mines	Toronto
Apr. 16	Waite Amulet	Toronto
Apr. 19	Howard Smith Pap.	Montreal
Apr. 20	Ottawa L. H. & P.	Ottawa
Apr. 20	Southam Co.	Montreal
Apr. 21	Borden Co.	Flemington, N.J.
Apr. 21	Candn. Celanese	Montreal
Apr. 22	Electrolux Corp.	Dover, Del.
Apr. 23	Noranda Mines	Toronto
Apr. 23	Price Bros & Co.	Quebec City
Apr. 26	Dome Mines	Toronto
Apr. 26	Can. Iron Foundries	Montreal
Apr. 26	Steel Co. of Can.	Hamilton
Apr. 27	Candn. Bronze	Montreal
Apr. 27	Hamilton Bridge	Montreal
Apr. 27	Montreal Loco.	Montreal
Apr. 27	Sigma Mines	Montreal
Apr. 28	Asbestos Corp.	Montreal
Apr. 28	Intn'l. Nickel	Toronto
Apr. 28	Normetal Mining	Toronto
Apr. 28	Quemont Mining	Toronto
Apr. 28	Western Grocers	Winnipeg
Apr. 29	Candn. Marconi	Montreal
Apr. 29	Mining Corp.	Toronto
Apr. 29	Montreal Tramways	Montreal
Apr. 30	Cons. Textile Mills	Montreal
Apr. 30	Hud. Bay Mng. & S.	Toronto
Apr. 30	J. A. Lang & Sons	Toronto
Apr. 30♦	Montreal Island Pr.	Montreal
May 5	Can. Pac. Rlwy.	Montreal

♦Adjourned from Jan. 23, 1948.

Investment Trusts

	Bid	Asked
Affiliated Funds	4.00	4.38
Can. Int. Trust	4.50	5.25
Can. Invest. Fund	4.45	4.90
Can. Invest. Corp.	7.00	7.75
Commonwealth Int.	3.40	3.74
Corporate Invest.	7.75	8.75
Trans-Canada, A	13.35	....
Do., B	....	13.20

Bond Tenders

5 p.m. Apr. 19, 1948, City of Sherbrooke, Que.—$100,000, dated Mar. 1, 1948, 2¾% and 3%, due serially from Mar. 1, 1948, to Mar. 1, 1968, inclusively.

12 noon, Apr. 8, 1948, Dominion of Canada Treasury Bills, dated Apr. 9, 1948, $75,000,000, payable July 9, 1948.

Stocks Not Traded This Week (Continued)

	Div. rate $	Last sale	Apr. 2 Bid	Ask
Arjon	...	.08	.08	.11
Bayonne	...	.06	..	.05½
Beatrice	...	.06	.05	.06
Beaucourt	...	.12	.12½	.19
Belleterre	.20	8.00	7.65	9.00
Berens River	...	.40	.38	.40
Bonville	...	.05	.04	.05½
Bouscadillac G.M.	...	.03½	.03	.07
Bouzan	...	.04½	.04	.05
Brazil Gold	...	.02	.01½	..
Bridge River	...	.03	.03	..
B.R.X. Can.	...	.08	.07	.10
Bulolo Gold	...	17.00	..	19.50
Canusa	...	.15½	.15½	.17
Cartier Malartic	...	.02½	.03½	.05
Celta Devel.	...	.06	.06	..
Cent. Manitoba	...	.06½	.06½	.07½
Coast Copper	...	.90	1.10	1.50
Congress	...	.03	.02	.02½
Coniagas	...	1.50	..	1.60
Cryderman	...	.01½	..	.01½
Dentonia	...	.04	..	..
Dickstone L.	...	.10	..	.09
Flin Flon	...	.02½	.02	.03
Fontana '45	...	.06	.05	.06
Forty-Four	...	.49	.49	.57
George Copper	...	.09½	.09½	.12
Glenora	...	.03	.02½	.03
Golconda	...	.10	..	..
Gold Lake	...	.01½	.01½	.03
Gold Pan	...	.17	..	..
Golden A.	...	.10	.10	.13
Graham B.	...	.10	.11	..
Grandoro	...	.13½	.13½	.14
Gt. Falls M.	...	.00½	.02	.03
Grull Wihksne	...	.05	..	.05
Halcrow Swayze	...	.04	.04	.05
Hallnor Mines	.28	3.60	3.60	4.00
Hoyle	...	1.05	..	1.00
Int. Mining	...	4.75	..	..
Island Lake	...	.00½	..	.02
Island Mountain	§.08	1.10	..	1.10
Jellicoe	...	.05	.04	.06
J. M. Cons. Gold	...	.02½	.02½	.03
Kerr Lake	§.05	.50	.50	.95
Kirk. Hud. Bay	...	.45	.41	.60
Kootenay Belle	...	.05	..	..
Lencourt	...	.12½	.08	..
McFinley R. L.	...	.24	..	..
McGillivray C.	...	.12	.12	..
McLellan Gold	...	.02½	.02	.03
Mentor Explor.	...	1.00	.50	.75
Minto Gold	...	.02	.02	.03
Mosher L. L.	...	.08	.09	.11
N. Louvre	...	.05	..	.10
Newnorth	...	.03½	.03½	.04
Norgold	...	.04	.02½	.05
Normandy	...	.04	..	.04
North. Empire	†.10	1.75	1.50	..
O'Leary	...	.15	.12	.15
Pacific East	...	.04½	.04½	.07
Pacific Nickel	...	.11	.09½	..
Packsack	...	.02	.02	.04
Pandora	...	.05½	.05½	.06
Parbec	...	.04	.03½	.04½
Partanen Mal.	...	.02	.02	.02½
Pato Cons. G.	‡.20	5.20	4.95	5.10
Payuka	...	.24	..	..
Placer Devel.	.50	21.00	20.25	21.00
Prospectors Air's	...	.30	.40	.50
Quebec Gold	...	.37	.36	.44
Red Cloud	...	.01½	..	.02
Red Hawk	...	.02	.02	.02½
Rice Lake	...	.02	.01	.02
Roche Long Lac	...	.05	.05	.06
Rochette	...	.09	.08½	.13
Ryanor	...	.07	..	.12½
Sand River	...	.05½	.06	.07
Scotia Gold	...	.01	..	..
Soma Duv.	...	.10	.07	.10
S. American G.	†.20	.10	..	..
Star Lake	...	.00½	..	.01
Sunloch	...	.10	..	..
Taylor Bridge	...	.45½	.40	.50
Tiblemont	...	.10	..	.20
Tombill	...	.10	.08½	.10
Towagmac	...	.09½	.09½	.11
Union Min.	...	.29	.08½	.10
Vicour	...	.13	.10	.13
Villbona	...	.03	..	.05
Wellington	...	.02½	..	.03
West Mal.	...	.09	.08	.09½
Westville	...	.02½	.02½	.05½
Winnipeg R. Tin	...	.00½	..	.01½
Yellorex	...	.20½	.18½	.20
H. G. Young	...	.40	..	..
Yukon Cons.	...	.95	..	1.00

OIL STOCKS

	Div. rate $	Last sale	Apr. 2 Bid	Ask
Acme Gas & Oil	...	.06	.05	.08
Admiral	...	.06	.05½	.06½
Advance	...	.03	..	..
Arrow	...	.10	..	..
Command	...	.15	.15	.16
Commoil	†.00½	.34	.34	.37
Common Pete.	...	.48	.48	..
Davies Pete	...	.11	.11½	.15
Federated P.	...	.35	..	.40
High Sarcee	...	.09	.08½	.10
Marvel	...	.01½	.01½	.02
Merland	...	.02	..	..
Nat'l Petroleum	...	.20	.20	.23
New Valley	...	.03½	..	..
Nordon	...	.14	.15	.22
Oil Selections	...	.04	.04	.05
Petrol Oil	...	.12	.12	.25
Phillips P.	...	.03	.03	.03½
Richland	...	.04	..	..
Royal Crest	...	.03	..	..
Share Roy.	...	.06	.06½	..
Turner V.	...	.20	.20	..
United Oils	...	.08	.09	.09½
Vulcan Brown	...	.14	.14	.14½

†Paid or payable in 1948.
§Paid in 1947.
‡Paid in 1946. *N.Y. Funds.
♦Dividend deferred.

Government Bonds

April 6, 1948 (Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Ask
Victory Loans:			
3	June 1951 ...	102¼	104¼
3	Mar. 1954 ...	103¾	104¾
3	Nov. 1956 ...	103	103¾
3	May 1957 ...	101¾	102¾
3	Jan. 1959 ...	100¾	101¾
3	June 1960 ...	100¼	101¾
3	Feb. 1962 ...	100	100½
2½	Nov. 1950 ...	100¾	101¼
3	Oct. 1963 ...	99¾	100¾
3	Sept. 1966 ...	99¾	100¾
1½	Nov. 1949 ...	100¼	101¼
1½	Nov. 1948 ...	100	100¾
Dom. of Canada Bonds:			
3½	Nov. 1951 ...	100¾	101¾
3½	Feb. 1952 ...	103¼	104
3	Oct. 1952 ...	101¾	102½
3	June 1955 ...	102	102½
3	June 1958 ...	101¼	102¼
4½	Nov. 1959 ...	104¼	104¼
3¼	June 1966 ...	101¼	102¾
3	Perpetual ...	98¼	99¼
4½	Nov. 1958 ...	101¼	102¼
Dom. Guarant'd Bonds			
Can. Nat. Railways:			
3	Jan. 1959 ...	100¾	101¼
4½	Sept. 1951 ..	*105¼	*106
4½	Feb. 1956 ..	*110¼	*111¾
4½	July 1957 ..	*111¾	*113¼
4½	June 1955 ..	*111¼	*112¾
5	Feb. 1954 ...	112	113¾
5	Feb. 1970 ..	*109	*110¼
5	Oct. 1969 ..	*108¼	*109¼
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955 ..	*111¼	*113

%	Due	Bid	Ask
Grand Trunk Pacific Rly.:			
3	Jan. 1962 ...	*98¼	*100¼
4	Jan. 1962 ..	*108	*111
Montreal Harbour Com.:			
5	Nov. 1969 ..	*108¼	*110
Provincial Govt. Bonds			
New Brunswick:			
3½	June 1966 ...	99¾	101¾
4½	Apr. 1961 ...	112	114¼
5	Jan. 1960 ...	115¼	118
3½	June 1966 ...	87¾	90¼
Nova Scotia:			
3	Jan. 1952 ...	101¼	102¾
3½	June 1966 ...	100¾	102¾
3½	Nov. 1950 ...	102¼	103¾
4½	Nov. 1960 ...	120	123
5	Mar. 1960 ...	123	126
3	June 1958 ...	99¼	101¼
Ontario:			
3½	Nov. 1951 ...	101¼	102¾
3½	May 1955 ...	102¾	104
4	June 1962 ...	118¼	121¼
4½	June 1950 ...	104¼	106
4½	Jan. 1962 ...	124¼	127
5	Oct. 1948 ...	101¼	102¾
5	Dec. 1960 ...	128¼	131¼
2¾	July 1976 ...	91¼	93¾
Ont. Hydro Commission:			
3½	Feb. 1953 ...	101¼	102¾
4	Aug. 1957 ...	115	117¼
2¾	June 1971 ...	91¾	93¾
Prince Edward Island:			
4	Mar. 1954 ...	101¼	103¾

%	Due	Bid	Ask
Quebec:			
3¼	Mar. 1959 ...	102	103¾
3½	Feb. 1955 ...	104¼	105¾
4½	Aug. 1958 ...	107¾	110¼
4½	Jan. 1963 ...	113¼	115¼
3	Feb. 1962 ...	99	100¼
4	Nov. 1952 ...	103¾	105¼
Alberta:			
3½	June 1964 ...	99¼	101
3½	June 1959 ...	102	104¼
3¼	June 1972 ...	100¾	102¼
British Columbia:			
4	Dec. 1957 ...	113¼	116
4½	Jan. 1951 ...	102¾	105¼
4½	Oct. 1953 ...	115	118
5	Apr. 1954 ...	118	120¼
2¾	Apr. 1966 ...	92¾	95¼
5	Sept. 1953 ...	108¾	111¼
Manitoba:			
4	Dec. 1957 ...	113¼	116¾
4½	Dec. 1956 ...	117¼	120¼
5	Dec. 1959 ...	124	127
5½	Oct. 1955 ...	113¾	116¼
Saskatchewan:			
4	Sept. 1954 ...	99	101
4	Nov. 1960 ...	99	101
4½	Oct. 1951 ...	107¼	110¼
5	Aug. 1956 ...	104¾	107¼
4½	Mar. 1960 ...	103¼	106
5	Dec. 1959 ...	107	110
5½	Oct. 1952 ...	104¼	107¼
6	Mar. 1952 ...	105¼	108¼

*N. Y. funds.

Unlisted Stocks

(Compiled from quotations supplied by Kippen & Co., Intercity Securities Corp. and Kamm, Garland & Co.)

April 5, 1948

	Bid	Ask.
Allens Toronto units	40.00	....
Anglo Amer. Timber	....	1.25
Anglo Can. Telephone A	9.50	10.50
Do. pfd.	46.00	48.00
Beauharnois L. H. & Pr.	10.00	11.00
Brandram Henderson	13.50	15.00
British Mtge. & Trust	185.00	195.00
Brockville Trust $50 par	60.00	....
B. C. Sugar	88.00	91.00
Candn. Invest. Fund	4.45	4.90
Can. Investors Corp.	7.00	7.75
Canadian Motor Lamp	10.50	11.50
Can. Silk Products	22.00	24.00
Can. West. Nat. Gas com.	18.00	20.00
Capital Wire Cloth com.	11.50	....
Do. pfd.	23.00	....
Cardy Corp. A	6.50	8.00
Cawthra Apts. units	6.50	....
Chase A. W. units	44.00	....
Colonial Steamships com.	90.00	....
Commercial Life 10% paid	8.00	....
Commonw'lth Inter. Corp.	3.40	3.84
Confed. Life 30% paid	160.00	....
Continental Life 20% paid	42.00	....
Cooksville A	9.00	10.00
Do. B	3.00	4.00
Corp. Investors	7.75	8.75
Cuban Can. Sugar c.	4.00	5.50
Detroit Inter. Bridge	10.75	....
Dover Industries Ltd.	9.50	10.50
Dunlop Tire pfd.	34.50	36.00
Dupuis Freres pfd.	....	25.75
Empire Life Ins. 25% pd.	17.00	19.00
Do. 20% paid	14.50	....
Foreign Power Co.	5.00	7.00
Foreign Power Sec. pfd.	4.50	6.00
Galt Brass com.	34.00	....
Goderich elev. & Trans.	14.50	15.50
Great West Life	350.00	380.00
Guardian Realty pfd.	44.00	....
Guaranty Co. of N. Amer.	385.00	....
Guelph & Ont. Svgs. $50 p	61.00	....
Gurney Foundry com.	25.00	....
Halifax Ins.	14.00	15.50
Hart Battery com.	7.50	8.50
Hartz, J. F., A	10.50	12.00
Imperial Life	340.00	360.00
Interprovincial Brick A pf.	....	75.00
Do. B pfd.	....	30.00
Lambton Loan & Inv. $50 p	83.00	87.00
Laprairie com.	4.00	6.00
Do. pfd.	92.00	97.00
Loblaw Groc. Inc.	17.75	18.75
Manufacturers Life Ins.	340.00	360.00
Maxson Food System	.50	....
Monarch Life Assoc. 30% p	83.50	....
Monarch Mortgage units	4.25	5.25
Mountainview Apts. pfd.	19.00	....
Nat. Drug & Chem. c. new	6.50	7.25
Do. pfd.	10.00	11.00
New Brunswick Tele.	13.00	13.50
Nor. Telephone com.	1.75	2.50
Ont. & Que. Ry. 6% cap stk	....	145.00
Paramount Kitchener units	60.00	....
Peller Brewing com.	6.00	7.00
Do. pfd.	22.00	23.50
Prov. Bank of Canada	16.00	16.75
Prudential Trust	11.00	....
Quality Steels com.	.50	.75
Sawyer Massey com.	1.50	2.25
Seiberling Rubber com.	5.00	8.00
Sincennes McNaught. Tugs	2.50	3.00
Sherbrooke Trust	140.00	....
Sovereign Life 25% paid	36.00	....
Standard Fuel pfd.	40.00	45.00
Do. pfd.	2.50	4.50
Sun Life Assce.	470.00	490.00
Third Can. Gen. Inv.	3.10	3.60
Toronto General Ins.	6.00	....
United Farmers Co-op.	2.50	....
United Steel A pfd.	24.00	26.00
Victoria Trust & Svgs.	133.00	....
Waterloo Manufac. com.	5.00	6.00
Western Assur. com.	63.00	66.00
Western Grain com.	.50	1.00
Do. pfd.	17.50	19.50
York Trading com.	11.50	....

Dividends Declared

	This payment $	Date payable	Date of record
Agnew-Surp. Shoes	.13	Jun. 1	Apr. 30
Aluminum 4% pf.	.25	Jun. 1	May 8
Anglo-Can. Tel., pf.	.56¼	May 1	Apr. 9
Argus Corp.	.15	Jun. 1	Apr. 30
Do. 4½% pfd.	1.12½	Jun. 1	Apr. 30
Atlas Steels	.25	May 1	Apr. 15
Aunor Gold	.08	Jun. 1	May 10
Bk. of Nova Scotia	.30	May 1	Apr. 15
Bates & Innes	.50	May 1	Apr. 14
Do. A	.50	May 1	Apr. 14
Bathurst Pwr. & P.	.37½	Jun. 1	May 4
Bell Telephone	2.00	Apr. 15	Mar. 15
Biltmore Hats	.10	Apr. 15	Mar. 31
Do. cl. A	.25	Apr. 15	Mar. 31
Brantford Cord.	.12½	Apr. 15	Mar. 20
Do. pf.	.32½	Apr. 15	Mar. 20
Brazilian Tract.	1.00	Jun. 2	Apr. 9
B. C. Power A	.40	Apr. 15	Mar. 31
B. C. Pulp & P. pf.	1.75	May 1	Apr. 15
Brewers & Dist.	.60+.30	May 20	Apr. 20
T. G. Bright	.25	Apr. 15	Mar. 31
Brit. Rubber 5% pf.	1.25	Apr. 30	Apr. 15
Stan. Brock A	.15	May 1	Apr. 10
Do. B	.10	May 1	Apr. 10
Burns & Co., A	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Do., Cl. B	.25	Apr. 24	Apr. 7
Do.	.25	July 24	July 7
Do.	.25	Oct. 25	Oct. 7
Cal. & Ed. Corp.	.08	Apr. 15	Mar. 12
Can. Iron Foundries	.40	Apr. 15	Mar. 31
Do. 6% pfd.	.30	Apr. 15	Mar. 31
Can. Nor. Pwr.	.15	Apr. 26	Mar. 19
Can. St'mship Lines	.50	Apr. 15	Mar. 25
Can. Bank of Com.	.20	May 1	Mar. 31
Candn. Brew.	.50	Jul. 2	May 31
Candn. Bronze	.50	May 1	Apr. 9
Do. 5% pfd.	1.25	May 1	Apr. 9
Can. Converters A	.18¾	Apr. 30	Mar. 27
Can. Fairb'ks-M. p.	1.50	Apr. 15	Mar. 31
Candn. Food Prod.	.18¾	Jul. 1	May 28
Do. cl. A	.25	Jul. 1	May 28
Do. 4½% pf.	1.12½	Jul. 1	May 28
Can. Gen. Inv.	.17½+.20	Apr. 15	Mar. 31
Candn. Ind. Ltd.	.17½	Apr. 30	Mar. 31
Do. pfd.	1.75	Apr. 15	Mar. 15
Candn. Oil	.20	May 15	Apr. 15
Can. Refrac. 4½% p.	1.12½	Apr. 15	Mar. 12
Can. Inv. Corp.	.10+.00¼	May 1	Apr. 5
Can. Vickers pf 7%	1.75	May 1	Apr. 10
Candn. West. Lumb.	.10	Apr. 15	Mar. 18
Do.	.10	Jul. 15	June 17
Do.	.10	Oct. 15	Sept. 17
Chateo Steel	*.25	May 1	Apr. 20
Chesterville Mines	.05	Apr. 30	Apr. 9
Circle Bar Knit. A	*.50	Apr. 15	Mar. 20
Coast Brew.	.06	May 1	Apr. 14
Combined Enter. pf.	1.25	Apr. 15	Mar. 12
Cockshutt Plow	.25	Jun 1	May 1
Do.	.25	Dec. 1	Nov. 1
Com. Alcohol	.05	Apr. 15	Mar. 31
Do. 8% pfd.	.10	Apr. 15	Mar. 31
C'monw'lth Intnl.	.04	May 15	Apr. 15
Cons. Text. 5% pf.	.50	Jun. 1	May 14
Dome Mines	.25	Apr. 30	Mar. 30
Dom. Bank	.25	May 1	Apr. 15
Dom. Bridge	.30	May 21	Apr. 30
Dom. Coal pf.	.38+.37	Apr. 30	Mar. 25
Dom. Eng.	3.00	Apr. 27	Mar. 31
Dom. Fabrics	.20	May 1	Apr. 15
Do. 1st pfd.	.75	May 1	Apr. 15
Do. 2nd pfd.	.37½	May 1	Apr. 15
Dom. Glass	.25	Apr. 15	Mar. 29
Do. pfd.	.35	Apr. 15	Mar. 29
Dom. Malting	.25	May 1	Apr. 9
Do.	.25	Aug. 1	Jul. 9
Do. 5% pfd.	1.25	May 1	Apr. 9
Do.	1.25	Aug. 1	Jul. 9
Dom. Oilcloth	.40	Apr. 30	Apr. 1
Dom. Square	.50	Apr. 15	Mar. 15
Dom. Tar & Chem.	.25	May 1	Apr. 1
Dom. Textile 7% p.	1.75	Apr. 15	Mar. 15
Dom. Woollens	.20	May 1	Apr. 15
Donnacona P. p 4½%	1.12½	May 14	Apr. 15
Dryden Paper	.25	May 1	Mar. 31
East Can. Sav. & L.	1.50	Apr. 2	Mar. 20
East. Steel	.15	Jun. 1	May 15
Empire Brass A	.25	Apr. 15	Mar. 31
Esmond Mills 5% p	.25	May 1	Apr. 8
T. H. Estabrooks pf.	.56	Apr. 15	Mar. 20
Fashion-Craft pfd.	1.25	Apr. 2	Mar. 20
Fed. Fire Ins.	1.00	Aug. 16	Aug. 12
Fleury-Bissell pfd.	.25	Apr. 30	Apr. 15
Foundation Co.	.35	Apr. 22	Mar. 31
Fraser Cos.	.75+.50	Apr. 26	Mar. 31
Gen. Steel Wares	.20	May 15	Apr. 16
Do., pfd.	1.25	May 1	Apr. 2
Gen. Trust 6% pf.	1.25	Apr. 15	Mar. 31
G'dyear Tire pf 4%	.50	Apr. 30	Apr. 10
Guar. Co. N.A.	1.50+3.00	Apr. 15	Mar. 31
Guaranty Trust	1.25	Apr. 15	Mar. 31
Gypsum Lime	.25	Jun. 1	May 2
Do.	.20	Sep. 1	July 31
Do.	.25	Dec. 1	Nov. 30
Hamilton Cot.	.22½	Jun. 1	May 10
Imperial Bank	.25	May 1	Mar. 31
Imp. Tobacco 4% p.	.25	May 1	Mar. 22
Intnl. Bronze 6% pf.	.37½	Apr. 15	Mar. 15
Int. Milling 4% pf.	†1.00	Apr. 15	Mar. 31
Int. Nickel 7% pf.	†1¾%	May 1	Apr. 1
Inv. Found. 6% pf.	.75	Apr. 15	Mar. 15
Journal Publishing	.17	Apr. 15	Mar. 18
Kerr-Addison Gold	.03	Apr. 28	Mar. 31
Kirkland Lake G.	.05	May 1	Mar. 25
Lamaque Gold	.06	Jun. 1	Apr. 15
Leitch Gold	.03	May 15	Apr. 15
Lewis Bros. Ltd.	.25	Apr. 30	Mar. 31
W. M. Lowney	.25	Apr. 15	Mar. 15
Mar. Tel. & Tel.	.30	Apr. 15	Mar. 20
Do. 7% pfd.	.17½	Apr. 15	Mar. 20
McArthur Ch. 5% pf	.25	May 1	Apr. 8
McColl-Front. pf.	1.00	Apr. 20	Mar. 31
Mersey Paper 4½% pf. n.	*1.12½	Apr. 1	Mar. 30
Mercury Mills	.25	May 1	Apr. 15
M. & O. Paper	†.50	Apr. 20	Apr. 15
Montreal Tel.	.48	Apr. 15	Mar. 15
Montreal Trust	1.00	Apr. 15	Mar. 31
Mt. Royal Rice	.12½+.04	Apr. 30	Apr. 15
Nat. Biscuit	†.40	Apr. 15	Mar. 9
Nat. Hose A	.15	July 1	Jun. 4
Do.	.15	Oct. 1	Sept. 3
Do.	.15	Jan. 1	Dec. 6
Do. B	*.15	Apr. 1	Mar. 5
Nat. Steel Car	.37½	Apr. 15	Mar. 15
Neon Prod. of West. Can. pfd.	1.50	May 1	Apr. 16
New Bruns. Tel.	.12	Apr. 15	Mar. 31
Ogilvie Flour	.25	Jul. 2	May 25
Do. 7% pfd.	1.75	Jun. 1	Apr. 23
Ont. Steel Pro.	.25	May 15	Apr. 15
Do. 7% pfd.	1.75	May 15	Apr. 15
Penmans Ltd.	.75	May 15	Apr. 15
Do. 6% pfd.	1.50	May 1	Apr. 1
Perron Gold	.01	May 10	Apr. 9
Power Corp. 1st pf.	1.50	Apr. 15	Mar. 19

Dividends Declared (cont'd)

	This payment $	Date payable	Date of record
Do. 2nd pfd.	.75	Apr. 15	Mar. 19
Pressed Metals	$1 sh.	May 20	Apr. 10
Preston East Dome	.01¼	Apr. 16	Mar. 15
Price Bros.	4.00	May 1	Apr. 8
Proprietary Mines	.03	May 7	Apr. 7
Prudential Trust	.50	May 1	Mar. 31
Purity Flour pf.	.62½	May 1	Apr. 9
Que. Power	.25	May 25	Apr. 15
Reitman's (Can.) pf.	.25	May 1	Apr. 15
Regent Knit. Mills	.40	Jun. 1	May 14
Do.	.40	Sep. 1	Aug. 13
Do.	.40	Dec. 1	Nov. 12
Robinson Cot.	.10	May 1	Apr. 1
Saguenay Pwr. pfd.	1.06	Jul. 1	Jun. 9
St. Law. Flour	.40	May 1	Mar. 21
Do. 7% pfd.	1.75	May 1	Mar. 21
Shaw. W. & Pr.	.30	May 25	Apr. 15
Sheep Creek Gold	.01½	Apr. 15	Mar. 31
San Antonio Gold	.07	Apr. 15	Mar. 15
Sher.-Williams	.20	May 1	Apr. 9
N. Slater	.30	May 1	Apr. 10
Do. pfd.	.53	Apr. 15	Apr. 3
How. Smith Paper	.25	Apr. 30	Mar. 31
Do. pfd.	.50	Apr. 20	Mar. 31
So. Can. Pwr.	.30	May 15	Apr. 20
Do. 6% pfd.	1.50	Apr. 15	Mar. 19
Stand. Fuel, pf.	.56¼	May 1	Apr. 15
Stand. Radio, A, B	.10	Apr. 10	Mar. 22
Springer Sturg.	.03	Apr. 5	Mar. 15
Steel Co. of Can.	.75	May 1	Apr. 7
Do. pfd.	.75	May 1	Apr. 7
Stovell Press 5% pf.	.12½	Apr. 15	Mar. 31
Teck-Hughes	.05	Jun. 1	Apr. 15
Tuckett Tob., pf.	1.75	Apr. 15	Mar. 31
Walker-G. & W. sp.	.37½	Apr. 15	Mar. 19
Waterous Ltd.	.20	Apr. 15	Mar. 31
Wellington Fire Ins.	1.75	Aug. 16	Aug. 12
West. Brew.	.40	Apr. 15	Mar. 31
Willson Stat. 5% pf.	1.25	Apr. 15	Mar. 31
Western Grocers A	.50	Apr. 15	Mar. 15
Do. 7% pfd.	.35	Apr. 15	Mar. 15
Wool Combing	.40	Apr. 10	Mar. 24

†N. Y. funds. *Initial.
§For per. Jan. 1-Dec. 31/47.
∆Spec. tax-free distrib.
‡For each 20 shs. held.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

April 6, 1948

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
∆Alg. Cen. H.B.R.	5	'59	63	67	64
†Assoc. Tel. & T.	5½	'55	107	...	106
Bell Telephone	3	'77	94¼	97¼	94¼
B. C. Electric	3½	'67	91¼	94¼	92
East Kootenay	3½	'67	93¼	97¼	93¼
§Gatineau Pr. D	3½	'70	96	99	96
*Do., C	3	'70	93¼	96¼	93¼
Gt. Lakes Pwr.	4½	'56	94	97	94
*Int. Hydro-El.	6	'44	64¼	67¼ E.P.	67¼
L. St. Law. Pr.	3½	'65	98	101	98¼
†Mtl. Trams. A	5	'55	97	...	97
Nat. Lt. & Pr.	4½	'61	99¼	...	99¼
Ott. L.H. & P.	4	'57	100	...	100
Power Corp.	3½	'67	91¼	94¼	93
Quebec Pwr.	3	'62	95	98	95¼
St. Maurice Pr.	3½	'70	94	97	94
Shaw W. & Pr.	3	'71	93¼	96¼	93¼
Do.	3½	'70	98	102	98
Union Gas	4½	'50	99¼	102¼	99¼
United Secs.	3	'55	97¼	100¼	97¼
Wpg. El.	3½	'71	99¼	102¼	99¼
Industrial and Realty Issues:					
Abitibi Pr. P.	3½	'67	94	97	94
Acadia-Atlantic Sugar	5½	'66	99	102	98¼
Aluminum Co.	3½	'74	100	103	101
B. C. For. Pdcts.	4	'66	92	95	93¼
B.C. Pulp & P.	3½	'67	93¼	96¼	94
Bowater's Nfld. P. & P.	3½	'68	95¼	98¼	95¼
†Brown Co.	5	'59	101	104	99
Burns & Co.	4	'63	96¼	99¼	96¼
Can. Steamship	3½	'67	99	102	99
Can. Brews.	3½	'67	91¼	95	92
Can. Celanese	3	'62	96	99	96
Can. Oil	3½	'62	96	99	96
Can. West Lum.	4	'63	97¼	100¼	97
C. P. R.	3½	'61	102	105	102
Do.	4	'49	101¼	...	101¼
C.P.R.	4	Perp	98	102	100
Consol. Paper	3½	'67	96¼	99¼	96¼
Dom. Coal	4½	'62	100	...	100
Dom. Scott Inv.	3	'64	90	94	91
Dom. T. & Ch.	3½	'57	100¼	103¼	100¼
Dom. Textile	3½	'59	101¼	...	101¼
Dom. Woollens	5	'64	99	102	99¼
Dryden Pap.	4	'61	93¼	96¼	92
E. B. Eddy	3½	'66	97	100	96¼
Federal Grain	4	'64	99¼	102¼	99¼
Ham Cotton	3½	'59	98	101¼	98
Imperial Tobac.	2½	'65	94	97	94
Indust. Accept.	3½	'66	94	97	94
Lake St. J. P.	5½	'61	101¼	104¼	101¼
Do.	5	'61	101	104	101
MacMillan (H. R.) Export	4	'66	99	102	99
Maple L. M.	3½	'63	97¼	101¼	97¼
Massey-Harris	3	'66	92	95	92
McColl Fron.	3	'71	93	96	93
McCormicks	4	'62	99¼	...	99¼
Mercury Mills	4	'59	99	102	99
Moirs Ltd.	6	'53	99¼	...	99¼
Montreal Apts.	4	'54	94	97	94
N.S. Stl. Coal	3½	'63	92	95	92
Price Bros.	3½	'66	96¼	99¼	96¼
Silv. Dairies	4	'60-64	97¼	100¼	97
Do.	4	'71	97¼	100¼	96¼
Simpsons Ltd.	3½	'50	99¼	102¼	99¼
Steel Co. of Can.	3½	'67	91¼	94¼	91¼
Toronto Elevat.	3½	'64	98	101	98
United Corp.	4	'58	99¼	102¼	99¼
†Western Grain	5	'59	75¼	79¼	76
York Kt. Mills	3½	'71	93¼	96¼	93¼

Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
*Payable in U. S.
§Payable in Canada only.
∆Payable in Canada or U. K.

Bond Redemptions

Bond Issues:	Rate	Year	Call	Price
‡T. Eaton Rlty 1st mtge. ser. A	4%	1951	Apr. 29	104
‡Mercury Mills 1st mtge. ser. A	3½%	1948-53	Apr. 15	101
Do.	4%	1959	Apr. 15	103
§Rio de Janeiro Tram. L. & P. mtge. bds.	5%	1950	Apr. 1	par
‡York St. Bldgs. 1st mtge. bds.	5%	1953	Apr. 1	100

‡All outstanding.
§French and English series, $736,415.

Market Comment

What stocks and bonds are doing and what prominent observers say.

The last three weeks' sustained upward drive in most stock groups, without any appreciable technical reaction, has many market experts puzzled. Although heavy liquidation by cautious investors has been going on, buying power has been strong enough to absorb it all and to have a little left over each day.

Though most market experts agree that an assault will be made on the old July '47 Dow-Jones industrial high of 187.66, there is considerable diversity of opinion as to when this will take place. Some authoritative market students say the market is in for a substantial reaction before a second buying wave is likely to boost the average into the 182-187 level. At any rate, under Dow theory, little significance can be attached to the penetration of the 1947 high by the Dow-Jones rails until the industrial average follows suit.

As the market picture clarifies, it appears that the three big market deterrents have been fear of a postwar depression, of war with Russia, and of a labor-dictated profits squeeze. Anything which will convince investors that a postwar slump in business will be postponed, or avoided altogether will help the market outlook. The European Recovery Program has certainly been the big market incentive of the recent upturn. Possibly a still bigger market incentive would be some sign that Russian aggression might be checked. While that sign is not evident yet, ERP and the new union between Great Britain, France, Belgium, the Netherlands and Luxembourg, backed by the United States could considerably speed that development.

• • •

E. R. Hanna; Collier, Norris & Quinlan, (Montreal): As we enter the second quarter of 1948, security markets demonstrate conspicuous strength. A veritable avalanche of impressive 1947 annual statements is now being published, with the great majoriy of companies reporting record earnings. The inflationary boom, which receded somewhat during February, is pressing everywhere again under the impetus of the U. S. re-armanent program and there seems little prospect of any immediate major deflation.

The big question is what lies ahead in the third and fourth quarters; and a good deal will depend on the international situation at that time. For the moment, there is little reason to fear any shrinkage in demand. Employment continues at a high level, with wages and salaries climbing to new heights. Personal savings remain high but, as the rate of increased deposits declines future consumer expenditures will depend on credits to a greater extent.

The main problem in the stock market is the need for stimulating the flow of risk-taking capital into industry. As has been pointed out repeatedly the stock market remains the least inflated of all markets. Real estate, commodities, and practically all types of goods and services are two to three times prewar prices. The stock market has consistently refused to recognize this inflation. It might well be that when deflation really gets under way, the market will rise against this falling trend. Today many high-grade common stocks can be purchased to yield 5% to 6% or better. Working capital positions are exceptionally strong, with healthy reserves set aside, so that earnings can be halved and present dividends maintained. By the end of the second quarter, the outlook should be clearer; but in the meantime, the stock market presents many opportunities for sound investment at attracive rates.

• • •

Peaker, Trent & Bunting (Toronto): Last year a business depression was anticipated. Recurrent warscares have cautioned new prospective purchasers from adding to their portfolios. Our mines have received repeated disappointments in the developments they had anticipated would revive Canadian gold production. Temporarily, at least, we can look for buying in the mining situations which have merit, particularly the producers in both gold and base metals.

With ERP almost fully accomplished, the possibilities of an important business recession are becoming more remote. Readjustments which have taken place in the money-market should ensure a reasonably stable period for an improvement in the outlook for investors and there is little left, outside of further European deterioration, to depress financial centres more.

A revival, therefore, must soon take place; not from improved earnings—trade could scarcely improve—but when the public fully realizes the world-wide demand for all products is far in excess of our present capacity to produce.

• • •

L. D. M. Baxter; Osler, Hammond & Nanton (Winnipeg): It is difficult to forecast market action at present, due to international and economic uncertainties. The international situation has deteriorated since last November, and the rift between the democratic and totalitarian countries has become more pronounced. Economically, while the situation continues to be difficult, approval of ERP by the United States has brightened the outlook for the future.

In my opinion, the confused international situation is influencing investors more than is the domestic picture; and I feel that the American and Canadian markets will continue in a comparatively narrow range, pending future developments.

• • •

Barron's: The Trader (New York): Apprehension over a business recession generally vanished with the assurance of the passage of the $6.2 billion foreign aid bill. In fact, worry has begun again over material scarcities and possible allocations and controls. Foreign aid definitely checks whatever implications of diminishing business activity may have existed in the letdown in incoming orders in the past three months; and that development itself may have simply reflected filling of the pipe-lines.

Supplementary Bond Quotations

Furnished by Investment Dealers Association
Month-end Closing Prices
Mar. 31, 1948

	Bid	Asked
Acadia Apartments 4%/59	97¼	101¼
Adelaide Peter 5½%/48	63¼	..
Adelaide Sheppard 5-7%/48	69	..
Albert Bay 5%/50	..	..
Alex. Bldg. 6%/47 & Com.	74	80
Anecroft Place 4%/56 & Com.	82½	..
Balfour Bldg. 3-6%/43	61	67
Bay Adelaide 6½%/47 1st	66	..
Bay Cumberland 3¼%/58 & Com.	70	..
Bay St. Albans 4%/58	82	..
Bloor St. George 7%/46	82	..
Clarendon Apartments 7%/46	53	58
Clarendon Prop. 7%/47	53	58
Deer Park Manor 4%/59 & Com.	83	..
Dom. Square 4%/59	99¼	102¼
Ellis Park 4½%/60 & Com.	95	..
400 Avenue Rd. 4½/57 & P.	91	..
Glen. Inv. 5/69 & Com.	109	114
Insurance Ex. 5%/51	..	..
Lombard Realty 2½%/51 & Com.	54	..
Lord Nelson Hotel 4%/47	71	76
Metropolitan Bldg. 4½%/52	99¼	..
Montreal Apts. 4%/54 1st	94	97
Montreal Apts. 4%/54 2nd	87	91
Municipal Bankers 4-5%/48	21	..
Ontario Bldg. 3%/48	55	60
Oshawa Bldg. 4%/53 & pfd.	79	..
Rams. Pk. Apts. 5%/61 Com.	68	..
Richmond Bldg. 7%/47	42	47
St. Cath. Stanley 3½-4%/57	97	101
St. Clair 200 W. 1958 & pfd.	89	..
Sherbrooke St. Rlty 4%/52	95	99
Stanley Realty 6%/62	33	..
Transportation Bldg. 7%/47	92	..
Wellington Bldg. 6½%	..	..
York Adelaide 7%/45	42	51
York St. Bldg. 5%/53	98	..

Municipal Bonds

April 6, 1948

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Victoria	3¾	'55-66	99	102	3.44
Vancouver	3	'67	93	96	3.27
Calgary	3½	'51-61	99	101	3.12
Edmonton	3½	'49-59	99	101	2.67
Regina	3	'64	92	95	3.39
Moose Jaw	3-3½	'60	97	99	3.27
Winnipeg	2¾	'66	93	96	3.03
Ottawa	3	'54	101	103	2.48
Toronto	2¾	'72	91	94	3.11
Hamilton	3	'53	101½	103½	2.25
Windsor	2½	'75	72½	75½	3.95
Windsor	2¾	'75	76	79	4.00
Windsor	3½	'75	89	92	3.98
Montreal	3	'70	94	97	3.18
Quebec	2¾	'66	90	93	3.26
Halifax	3	'68	95	97	3.22
Saint John	3½	'65	99	102	3.35

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$15.40	$15.50	$14.25
Hogs	28.72	28.85	21.47
Copper, lb.	.21½	.21½	.21½
Sugar, raw, lb.	.0490	.0480	.06125
Coffee, lb.	.26	.25¾	.26½
Hides	.27	.23½	.27
Weekly Indices			
U. S. Labor	161.5	159.8	149.0
Dow Jones	149.66	147.89	131.51
Fishers	168.0	166.8	160.3
Monthly Indices			
Retail (Mar.)	150.8	150.1	137.8
W'sale (Feb.)	147.3	146.9	118.1
U. S. (Jan.)	165.6	163.2	141.5
Gt. Brit. (Jan.)	212.1	203.5	181.6

Note: The base of indices is that 1926 equals 100. †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle — Steers, good over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. Coffee No. 4 Santos. Rio Sugar 96 degrees centrifugal c/f New York.

New Highs and Lows

During the week ended Apr. 3, 17 new highs were recorded among the "general" stock exchanges, and 26 new lows. In the mining group there were eight new highs and 29 new lows; three new highs and six new lows among the western oils.

GENERAL

New Highs—1948

Aluminium new	John Inglis
B. C. Power A	Lewis Bros.
B. C. Pulp & Pap. pf	Minn. & Ont. Pap.
Can. W. & Cable B	Pressed Metals
Candn Cel.	Reliance Grain
Candn Oil 5% pfd.	Rolland Paper pfd.
Fed. Grain A	Russell Ind.
Goodyear Tire & R.	Tip Top Tailors
Ind. Accept.	

New Lows—1948

Bank of N. Scotia	Dom. Malting pfd.
Beaver Lumber	Dom. Woollens
Do. A	Esmond Mills
B. C. Packers A	Fittings A
Can. Bread cl. B	Imperial Bank
Can. Forg. B	Imperial Tob.
Can. Malting	Ind. Accept. 4½% pf.
Can. Perm. Mtge.	Milton Brick
Can. Bank Comm.	Monarch Knitting
Candn. Dredge	Nat. Hose A
Coll. Terminal	Robinson Cotton
Com. Alcohol pfd.	Stand. Radio
Crescent Creamery	Western Grocers

MINING

New Highs—1948

Castle Tre.	Pend Oreille
Crowshore	Reeves McD.
Jacola	United Keno
Ogama Rock	Waite Am.

New Lows—1948

Bonetal	Mylamaque
Bordulac	N. Rouyn
Broulan	Omega
Calder B.	Pamour P.
Cariboo	Pioneer G.
Delnite	Porc. Pen.
Eureka	Quatsino
Franceour	Red Crest
Howey	Shawkey
Hudson Rand	Silbak
Jacknife	Siscoe
Kirk. G. G.	Sudbury Con.
Kirk. Town.	Taku
Lebel Oro.	Toburn
Marcus Gold	

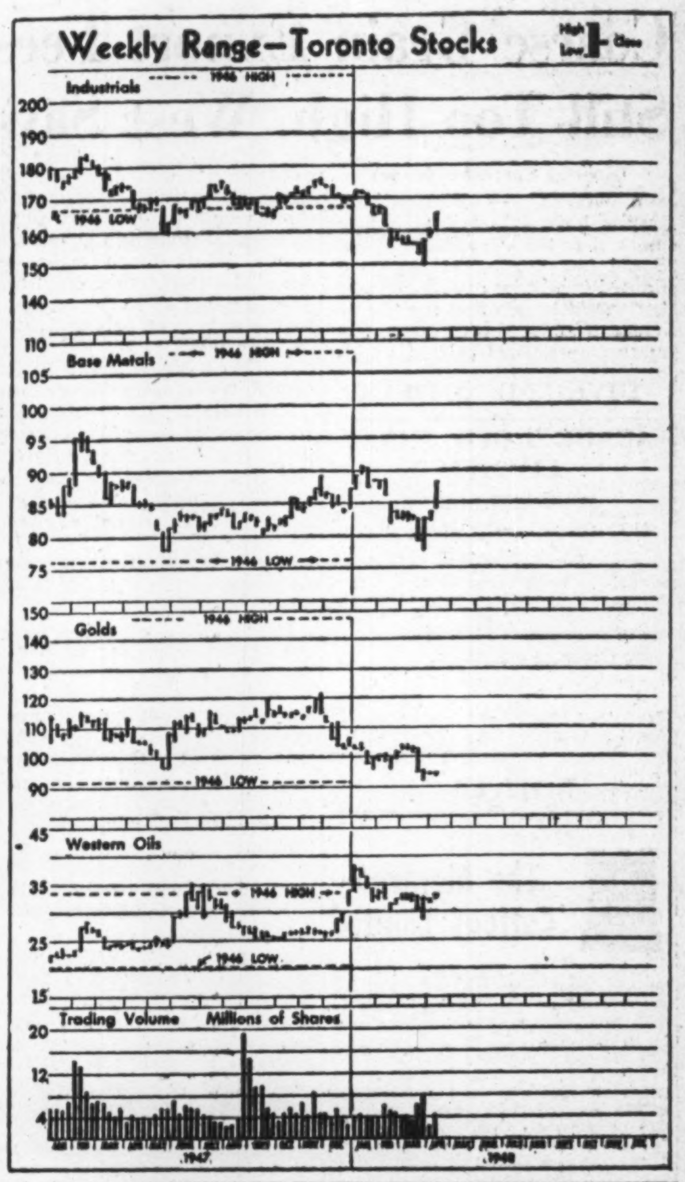
OILS

New Highs—1948

Leduc Cons.	Okalta
New Pacalta	

New Lows—1948

Atlantic	Mill City
Hargal	Texas Can.
McD. Segur	Wellington



COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

CANADIAN PACIFIC RAILWAY CO. volume of traffic in 1947 established a peacetime record but net earnings from railway operations were "again markedly inadequate" and the final dividend declaration of 3% was made possible "only by income from sources other than railway operations."

The 1946 annual report highlights are:

Gross earnings increased 8.9% from 1946; were only $285,115 below the record of 1944. Freight earnings accounted for nearly 79% of the gross and were 14.8% higher. Passenger earnings accounted for 12.6% of the gross and were down 11.1%.

Working expenses increased 8.8%. Ratio of working expenses to gross earnings of 92.81% (92.87% in 1946) was down only slightly from the highest on record.

Net earnings were up 9.8%. Out of each dollar of gross earnings only 7c of net was realized — just over half the net from roughly the same gross as in 1944.

Other income of $24,788,927 was the highest in the company's history and up 8.8%. Net earnings from ocean and coastal steamship operations decreased $401,917 chiefly due to the increased cost of operations of coastal steamships. Ocean steamship earnings were higher due to the addition of the sixth Beaver ship and to the return to passenger service in July of the Empress of Canada. Net earnings of hotels were the highest on record. Net earnings from communication services were down $302,392, although revenues were augmented by an increase of 20% in rates on telegraph traffic to and from the United States, authorized June 6, 1947.

Dividend income was up $5,984,263 due to the higher dividend paid by the Consolidated Mining & Smelting Co. of Canada.

Fixed charges of $15,787,174 were down $2,700,939. Of this, $705,484 is due to a reduction in funded debt outstanding and in leased line rentals while the balance is the result of stating interest and rents payable in sterling at the official rate instead of at par of exchange. Funded debt was reduced by $8,264,000, representing serial equipment obligation paid off.

Net income amounted to $31,893,942, an increase of $6,759,211 over 1946.

The effect of wage settlements negotiated during 1947 will be to increase the payroll expenses by approximately $2,250,000 a year. In November, representatives of practically all organized employees asked a general wage increase of 35c an hour or its equivalent and this will be the subject of investigation by Boards of Conciliation early in 1948. A general wage increase of 35c an hour for all employees would mean an increased payroll expense of nearly $65 millions.

Airline operations showed a net loss after depreciation of $584,266 (a profit of $372,371) due to the loss of earnings from charter operations previously conducted and the cost of organizing and developing new routes combined witth increased costs of materials and labor. Nine twin-engined aircraft were acquired and 26 smaller and older planes were disposed of.

New rolling stock placed in service included six steam locomotives, 13 Diesel locomotives, 2,672 freight box cars, 500 automobile cars, 251 hopper cars, 55 refrigerator cars, 50 cabooses, 10 baggage cars and seven passenger coaches.

The ocean fleet was augmented by the addition of the Beavercove. In July the Empress of Canada, the former Duchess of Richmond, returned to the Atlantic service. The Duchess of Bedford was released from troop transport service and is being refitted before returning to the Atlantic service. She will be renamed the Empress of France. The former German motor vessel, Huascaran, was purchased in September and renamed Beaverbrae. Princess Kathleen, fully reconditioned and with modernized fittings, has re-entered the service on the triangle run between Vancouver, Victoria and Seattle. Two new passenger steamships being constructed for the B. C. Coast Service are expected to be placed in service before the end of 1948.

Approval for capital appropriations of $43,280,017 for the year 1948 will be asked, of which $31,524,072 will be for new rolling stock and $3,615,297 for additions and betterments to stations, freight sheds, etc., 1948 orders include 44 Diesel locomotives, 1,000 box cars, 450 hopper cars, 350 gondola cars, 100 cabooses, 75 passenger coaches, 15 baggage and express cars, 10 mail and express cars, 15 other passenger cars and 203 work units. Capital appropriations, in addition to the $30,489,352 approved at the last annual meeting, were authorized by directors to an amount of $36,390,854 in 1947.

INCOME ACCOUNT

Years Ended Dec. 31:	1947 $	1946 $
Gross earn.	318,583,919	292,490,828
Work. exps.	295,693,730	271,652,778
Net earnings	22,892,189	20,845,060
Add: Other inc. (net)	24,788,927	22,779,794
Less: Fix. chs.	15,787,174	18,488,113
Net profit	31,893,942	25,134,731
Less: Pf. div.	4,557,682	4,557,682
Com. div.	6,700,000	6,700,000
Surp. for year	20,636,260	13,877,049
Times Fixed Charges Earn.	3.02	2.36
Earnings per Share and Dividend Record:		
Pf.: Earned	23.24%	18.31%
Paid	4%	4%
Com.: Earn.	$2.04	$1.54
Paid	‡1.25	‡1.25

‡Including 75c. paid Mar. 31, 1948 and 1947 for years 1947 and 1946, but not deducted from profit and loss balance as shown above.

GENERAL BALANCE SHEET

As at Dec. 31:	1947	1946
Cash	$42,644,686	$46,009,174
Dom. bonds	31,667,000	31,861,000
Mater. & supplies	36,712,903	34,987,234
Accounts rec.	32,709,467	26,823,677
Total curr. assets	143,734,056	139,681,085
Stks. & bds., contr. cos.	69,939,167	70,279,542
Misc. invests.	47,039,979	46,806,482
Adv. to contr. & other cos.	7,336,038	6,013,140
Mtges. coll. & loans & adv. to settlers	1,293,295	1,346,430
Def. land payts.	10,782,049	13,301,906
Unsold lands, etc.	13,423,071	14,041,912
Unex. equip. tr. dp.	......	8,614,623
Maint., insur., ship replac. funds	74,705,979	76,264,879
Unadjusted debits	5,236,905	5,767,213
Property:		
Rolling stock, inland steamers	880,747,256	855,594,043
Impr. leased rly. prop.	107,956,776	105,533,177
Stks., bds., leased, rly. cos.	134,169,779	134,170,939
Ocean & cst. ships	54,545,167	49,950,819
Htls., com. & misc.	97,644,309	97,780,479
Total assets	1,646,455,223	1,622,445,668
Accts. pay., etc.	30,281,354	32,986,920
Other curr. liab.	16,556,631	15,730,889
Total curr. liab.	46,837,985	48,717,809
Funded debt	370,739,229	379,003,229
Defer. liab.	4,408,801	4,239,047
Maint. fund res.	27,600,000	25,200,000
Road depr. res.	109,948,964	102,968,052
Rolling stock res.	160,894,323	149,328,681
Hotel depr. res.	22,156,038	20,243,487
Ship. replac. res.	31,479,247	29,684,478
Investment res.	3,702,115	3,363,502
Other res.	24,124,997	23,003,219
Capital stock	472,256,921	472,256,921
Prem. on cap. stk.	34,458,362	34,458,362
Land surplus	60,722,480	60,851,609
Surplus revenue	279,122,961	269,126,972
Working capital	96,896,071	90,963,276

MERCURY MILLS LTD. 1947 net profit was up 36%. Demand for company products continues in excess of supply, President R. H. Hommel states, adding that this condition appears likely to continue for at least the first six months of 1948. It is expected that throughout 1948, production will be considerably increased, despite shortages of raw materials and of skilled labor.

Expenditures of $400,000 on fixed assets during the last three years have been provided out of working capital and at year end, outstanding commitments for capital expenditures approximated $230,000. These expenditures, plus increased investment in receivables and inventories, necessitated the borrowing of considerable sums from company's bankers.

CONSOL. INCOME ACCOUNT

Years Ended Dec. 31	1947	1946
Net earnings	$780,295	$633,792
Less: Depreciation	66,437	60,632
Bond interest	24,875	26,375
Inc. tax res.	326,000	280,000
Net profit	362,983	266,785
Less: Divds.	94,487	89,757
Pension prov.	25,000	25,000
Invent., conting., etc., prov.	50,000	......
Surplus for year	193,496	152,028
Times Bond Interest Earned†:		
Before deprec.	31.27	24.03
After deprec.	28.70	21.73

†Old bonds, replaced Apr. 1, 1948.

Earnings per Share and Dividend Record:		
Common	$3.84	$2.82
Paid	1.00	0.95

COND. CONS. BALANCE SHEET

As at Dec. 31:	¤1947	1946
Cash & Dom. bds.	$447,469	$184,394
Accts. rec.	626,276	644,573
Inventories	1,911,572	1,527,868
Total curr. assets	2,985,317	2,356,735
Prep. fire ins., etc.§	19,586	11,072
Misc. assets∆	52,776	56,766
Fixed assets*	1,426,643	1,347,622
Total assets	4,484,323	3,871,195
Total curr. liab.	655,874	547,837
Pension fund	85,000	60,000
Conting., etc., res.	276,699	226,698
Funded debt	1,250,000	700,000
Capital stock	1,128,167	1,128,167
Capital surplus	97,754	96,857
Earned surplus∆	990,828	811,636
*After deprec. of	2,127,029	2,100,750
∆Incl. ref. EPT	52,776	52,776

§Incl. in curr. assets in co's. report.
¤Pro forma, after bond redemption and sale of new issue.

Working capital	2,329,443	1,798,898

CANADIAN MUNICIPAL AND CORPORATION SECURITIES

F. H. DEACON & CO.

Business Established 1897

Members Toronto Stock Exchange

197 BAY ST. — TORONTO 1 — ELGIN 3401

J. E. GRASETT & CO.

Members The Toronto Stock Exchange

244 BAY STREET, TORONTO WA. 4781

BRANCH

3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

J. BRADLEY STREIT & CO.

Members The Toronto Stock Exchange

330 BAY ST. WAVERLEY 4831 TORONTO

'WHEN' & 'WHAT'

A continual problem facing investors is when to buy, and what to buy. There is no definite, or altogether complete solution of these questions and it cannot be otherwise. We shall be glad, however, to send you our ideas and suggestions concerning the problem.

KIPPEN & COMPANY INC.

Investment Securities

Established 1922

Imperial Bank Building, MONTREAL — 410 St. James St. West

Telephone LAncaster 5101

ESTABLISHED 1901

Playfair & Company

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STOCKS, BONDS & MINING SECURITIES

Correspondence Solicited

68 King St. West - - - Toronto 1

Telephone: ADelaide 6061

We have pleasure in announcing that

JOHN E. KENNEDY

has been admitted as a General Partner of this Firm.

WILLS, BICKLE & COMPANY

INVESTMENTS

MEMBERS OF THE TORONTO STOCK EXCHANGE

25 KING ST. WEST WAVERLEY 4681 TORONTO

W. R. Bricker & Company

INVESTMENT DEALERS

wish to announce that in accordance with the wishes of the late Mr. W. R. Bricker their business has been taken over by

OSLER & HAMMOND

21 JORDAN STREET TORONTO

The Estate of the late Mr. W. R. Bricker has become a Limited Partner of Osler & Hammond

Mr. R. V. Bullock will act as Resident Manager and Mr. C. J. Wilhelm as Sales Manager.

W. R. Bricker & Company

Kitchener and Galt, Ontario

April 1st, 1948

We wish to announce that

The Estate of the late

Mr. W. R. Bricker

has been admitted as a Limited Partner of this firm. The business formerly under the name of W. R. Bricker & Co. at Kitchener and at Galt will be conducted under our name.

OSLER & HAMMOND

Head Office, 21 Jordan Street, Toronto
Elgin 1358 — Established 1867

Members
The Toronto Stock Exchange
Montreal Stock Exchange
Investment Dealers' Association of Canada

Private wire connections to Kitchener, Galt, Western Canada, Montreal and New York.

47 King St. West, Kitchener, Ont.

6 Ainslie St. South, Galt, Ont.

April 1st, 1948

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 262

Notice is hereby given that a dividend of two and one-half per cent (twenty-five cents per share) upon the paid-up capital stock of this Bank has been declared for the quarter ending 30th April, 1948. The dividend will be payable at the Head Office of the Bank and its Branches on and after Saturday, the first day of May, 1948, to shareholders of record of the 15th April, 1948.

By Order of the Board,
ROBERT RAE,
General Manager.
Toronto, 11th March, 1948.

Purity Flour Mills Limited

Dividend Notice
Cumulative Redeemable Preference Shares

Notice is hereby given that the regular quarterly dividend of sixty-two and one-half cents (62½c) per share, on the Cumulative Redeemable Preference Shares of the par value of $40 each, will be paid on the 1st day of May, 1948, to shareholders of record at the close of business on the 9th day of April, 1948.

This dividend covers the period from 1st February, 1948, to 30th April, 1948.

By Order of the Board,
A. H. DENOON,
Secretary.
Toronto, Ontario,
5th April, 1948.

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board the quarterly dividend of 1-⅛% upon the outstanding Preference Shares of the Company has been declared, payable on and after the 1st Day of May, 1948, to holders of record at the close of business on the 15th day of April, 1948.

DATED at Ottawa this 3rd Day of April, 1948.

Lawrence Freiman,
President.

A. J. FREIMAN LIMITED

Notice is hereby given that subject to the approval of the Foreign Exchange Control Board a quarterly dividend of twelve and one half cents (.12½) per share on the Common Shares of the Company has been declared, payable on and after the 1st Day of May, 1948, to holders of record at the close of business on the 15th day of April, 1948.

DATED at Ottawa this 3rd Day of April, 1948.

Lawrence Freiman,
President.

Canadian Breweries Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared on the outstanding Capital Stock of this Company, payable July 2nd, 1948, to shareholders of record at the close of business May 31st, 1948.

By Order of the Board,
W. C. BUTLER,
Secretary.
Toronto, March 31, 1948.

COMMERCIAL ALCOHOLS LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that dividends as follows have been declared for the quarter ending 31st March, 1948, on the outstanding stock of this company, payable the 15th April, 1948, to shareholders of record 31st March, 1948.

Preferred Dividend 10c per share
Common Dividend 5c per share

GEO. F. ABBOTT, C.A.,
Secretary-Treasurer.
30th March, 1948.

Bates & Innes Limited

DIVIDEND NOTICE

Notice is hereby given that the regular Half-Yearly Dividend of FIFTY CENTS per Share has been declared on the "A" Shares of the Company, and FIFTY CENTS per share on the Common Stock of the Company, payable May 1st, 1948, to Shareholders of record of the Fourteenth Day of April, 1948.

By Order of the Board,
E. H. RITCHIE,
Secretary.
Carleton Place, Ont.,
March 30th, 1948.

The Sherwin-Williams Company of Canada, Limited

Notice is hereby given that a quarterly dividend of Twenty Cents (20c) per share for the quarter ending February 29, 1948, has been declared on the Ordinary Stock, without nominal or par value, of the Company, payable May 1, 1948, to Shareholders of record the 9th day of April, 1948.

Books not closed.
By Order of the Board,
P. W. HOLLINGWORTH,
Secretary-Treasurer.
Montreal, Que., February 5, 1948.

Biltmore HATS LIMITED

Notice is hereby given that the following Dividends have been declared for the quarter ending the 31st. day of March, 1948.

CLASS "A" DIVIDEND NO. 8

A Dividend of .25¢ (twenty-five cents) per share, payable on the 15th. day of April, 1948, to shareholders of record on the 31st. day of March, 1948.

COMMON DIVIDEND NO. 45

A Dividend of .10¢ (ten cents) per share, payable on the 15th. day of April, 1948, to shareholders of record on the 31st. day of March, 1948.

By Order of the Board.
(Signed) Wm. F. Franke,
Secretary-Treasurer.
Guelph, Ontario,
March 12, 1948.

DIVIDEND NOTICES

The Canadian Bank of Commerce

DIVIDEND NO. 245

NOTICE is hereby given that a DIVIDEND OF TWENTY CENTS per share on the paid-up Capital Stock of this Bank has been declared for the quarter ending 30th April, 1948 and that the same will be payable at the Bank and its Branches on and after Saturday, the First day of MAY next, to Shareholders of record at the close of business on 31st March, 1948. The Transfer Books will not be closed.

By Order of the Board,
JAMES STEWART,
General Manager.
Toronto, 12th March, 1948.

IMPERIAL BANK OF CANADA

DIVIDEND NO. 231

Notice is hereby given that a Dividend of Twenty-five Cents (25c) per share has been declared for the quarter ending 30th April, 1948, payable at the Head Office and Branches on and after Saturday, the 1st day of May next, to shareholders of record of 31st March, 1948.

By order of the Board.
W. G. MORE,
General Manager.
Toronto, 10th March, 1948.

BURNS & CO. LIMITED

QUARTERLY DIVIDEND

The second quarterly dividend of 25c a share on class "A" and "B" shares of Burns & Co. Limited will be paid April 24th, 1948, to all shareholders of record as of April 7th. National Trust Company Limited is the transfer agent, with offices at Toronto, Winnipeg, Edmonton and Vancouver.

BURNS & CO. LIMITED,
R. J. Dinning,
President.

McCabe Grain Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 15 cents per share on the outstanding Class A shares of the Company has been declared payable May 1st, 1948, to shareholders of record April 15th, 1948.

By Order of the Board.
H. M. THOMAS,
Secretary-Treasurer.

McCabe Grain Company Limited

DIVIDEND NOTICE

Notice is hereby given that a quarterly dividend of 10 cents per share on the outstanding Class B shares of the Company has been declared payable May 1st, 1948, to shareholders of record April 15th, 1948.

By Order of the Board.
H. M. THOMAS,
Secretary-Treasurer.

Commonwealth International Corporation Limited

Notice is hereby given that the fifty-seventh consecutive quarterly dividend of four cents (.04) per share has been declared on the no par value Common Stock of the Company — payable May 15, 1948, to shareholders of record April 15, 1948.

By Order of the Board.
(Signed)
J. C. BROWN,
Secretary-Treasurer.
Montreal, Quebec, March 30, 1948.

CANADIAN FOOD PRODUCTS LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the following dividends have been declared:

A dividend of $1.12½ per share on the outstanding 4½% Cumulative Convertible Redeemable Preference Shares in the Capital Stock of the Company payable on July 1, 1948 to shareholders of record at the close of business on May 28, 1948.

A dividend of 25c per share on the outstanding Class A shares in the Capital Stock of the Company payable on July 1, 1948 to shareholders of record at the close of business on May 28, 1948.

A dividend of .18¾c per share on the outstanding Common shares in the Capital Stock of the Company payable on July 1, 1948 to shareholders of record at the close of business on May 28, 1948.

By order of the Board.
HOWARD R. DOUGLAS,
Secretary,
Toronto, Ontario,
April 1, 1948.

ZELLER'S LIMITED

DIVIDEND NOTICE

Notice is hereby given that the following Dividends have been declared by the Directors of Zeller's Limited for the quarter ending April 30th, 1948.

On the 6% Preferred Shares, the regular one and one-half (1½) per cent (37½ cents), payable May 1st, 1948, to Shareholders of Record April 15th, 1948.

On the 5% Preferred Shares, the regular one and one quarter (1¼) percent (31¼ cents), payable May 1st, 1948, to Shareholders of Record April 15th, 1948.

On the No Par Common Shares, 37½ cents per Share payable May 1st, 1948, to Shareholders of Record April 15th, 1948.

By Order of the Board.
T. E. McDERMOTT,
Treasurer.

Coarse Grain Export Fees Still Too High, West Says

(Special Correspondence)

WINNIPEG — Disappointing results have followed announcement by the Canadian Wheat Board last week that export of limited quantities of oats and barley would be allowed for the remainder of the crop year. The market responded at first with a mild spurt and then dropped again, when it was realized that there would have to be a further substantial change in government policy before much business is done. Further, the opinion is growing that in so far as applies to the export of oats and barley at high prices to Europe, Canada has missed her market through long delay in authorizing exports.

For nearly two months, practically all interests in the western grain trade have been urging on the Government that there is a surplus of oats and barley in Canada which, if not allowed to be exported, will continue to have an unnecessarily depressing effect on prices of those grains in Canada.

Particular emphasis was laid on the opportunities for satisfactory sales of malting barley to the United States. When, on April 3, the former complete embargo on export of whole oats and barley was relaxed, the United States was not included in the permitted area for export. It was stated that sales could only be made for human consumption to countries within the International Emergency Committee food allocations.

Buyers Not Interested

Most important, however, was the announcement that all export sales would be subject to high export fees. For barley, the fee was put at 95c a bushel, which, although 25c a bushel less than the previous nominal rate, was still so high as to make prospective purchasers back away. For oats the fee was 65c per bushel.

In place of the expected rush of buyers, a series of replies that they were not interested was received from countries to which exporters made offerings. At first the feeling was that prospective buyers intended to wait until they could acquire oats and barley at a more moderate cost. Then reports began to circulate that many countries had revised their plans and were prepared to get along without Canadian oats and barley for the remainder of the crop year.

Under the offerings made, the cost of oats and barley to foreign purchasers appears extravagant when compared with the $2 ceiling on wheat prices for next year, recently established under the wheat agreement. With the equalization fee paid, barley costs considerably more than $2 a bushel and considerably more per pound of grain, while the cost of oats is $1.35 a bushel.

Under Fire In U. S.

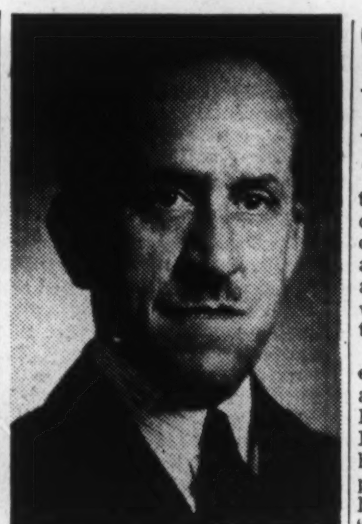
Chicago correspondents of Winnipeg grain firms report criticism in the United States of the new Canadian policy. The idea seems to prevail in the United States that Canada, by holding export prices so much above domestic prices, and well above prices in the United States, is attempting to take undue advantage of the Marshall Plan. Reports are circulated that American government agencies' concern with the export of grains from that country, and the allocation of Marshall Plan funds, will discourage export transactions in Canadian oats and barley.

General opinion in the trade appears to be that before the Canadian market can be cleared of the present surplus of oats and barley, it will be necessary to reduce the export fee to a basis which would correspond with price levels in the United States; and that reduction might have to be considerable, as any volume of business would presumably result in some stiffening of Canadian prices. It is quite true that American oats and barley are not now available for export to Europe; but offerings of Canadian grains at costs well above American prices appear to be resented.

Would Boost Eastern Costs

It is realized that the Government is in a difficult position, as steps which would actually promote export of oats and barley would lead to increased costs of such grain in Eastern Canada, where the change might be resented. When the decline in Canadian prices set in in February, the benefits therefrom were somewhat slow in getting through to Eastern buyers of feeds; largely, it is gathered, because dealers and processors of manufactured feeds were attempting to recover their costs from stocks of grain accumulated at higher prices.

Although oats and barley on the Winnipeg market have been at bargain levels in relation to their feeding values, that fact has not resulted in any great buying rush. Indeed, had not western deliveries of grain been held back by unfavorable conditions in the country for hauling, and had there been much new selling to be absorbed, the market could hardly have held at levels which prevailed.



ROSS CLARKSON

vice-president and general manager of Royal Trust Co., has been elected a director of the Sun Life Assurance Co. of Canada.

DIVIDEND NOTICES

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Five Cents (5c) per share, payable in Canadian funds, has been declared by the Directors of Aunor Gold Mines Limited, payable June 1st, 1948, to shareholders of record May 10th, 1948.

By Order of the Board.
J. R. BRADFIELD,
Secretary.
Toronto, Ontario,
April 2, 1948.

NOTICES

The Montreal Cottons Limited

NOTICE IS HEREBY GIVEN THAT THE ANNUAL GENERAL MEETING of the Shareholders of The Montreal Cottons Limited will be held at the office of the Company, 710 Victoria Square, Montreal, on Wednesday, the 21st day of April, nineteen hundred and forty-eight, at the hour of 11.00 o'clock A.M. for the purpose of: Considering and, if thought fit, confirming action of the Directors in enacting By-Law No. 65, receiving the Annual Report, electing a Board of Directors for the ensuing year, appointing auditors, and to transact such further business as may come before the meeting.

By Order of the Board,
CHAS. GURNHAM,
Secretary-Treasurer.
Valleyfield, April 1st, 1948.

CANADA MALTING CO., LIMITED

NOTICE

NOTICE IS HEREBY GIVEN that the Annual General Meeting of the Shareholders of CANADA MALTING CO., LIMITED, will be held at the King Edward Hotel, in the City of Toronto, on Friday, the 23rd day of April, 1948, at the hour of 11:30 a.m., to receive and consider the report of the Directors, the balance sheet, statement of income and expenditure and surplus, and the auditors' report thereon, to elect Directors for the ensuing year, to appoint Auditors for the ensuing year and fix their remuneration, and to transact such other business as may properly come before an Annual Meeting.

AND FURTHER TAKE NOTICE that immediately following the above Meeting a Special Meeting of the Shareholders of the Company will be held for the purpose of considering and, if thought fit, sanctioning By-law No. 11 of the Company, relating to signatures on stock certificates. Copy of the By-law may be inspected at the Company's office during business hours.

By Order of the Board,
GEORGE J. WILLIAMS,
Secretary.
Toronto, Ontario, March 5, 1948.

NOTICE to Holders of Share Warrants under the Regulations of the Company adopted by the Company.

Holders of Share Warrants, in order to vote at the above Meetings, must deposit their Share Warrants with the Toronto General Trusts Corporation, the Transfer Agent of the Company, or with a chartered bank, and receive a voting certificate, which must be produced at the Meetings or filed with a proxy before the Meetings. Forms for this purpose can be obtained from the Toronto General Trusts Corporation, the Transfer Agent of the Company, at its Toronto office, or from the office of the CANADA MALTING CO., LIMITED, Foot of Bathurst Street, Toronto.

Steveville Oil Company LIMITED

NOTICE OF ANNUAL GENERAL MEETING

TAKE NOTICE that the Annual General Meeting of the Shareholders of Steveville Oil Company, Limited, will be held in the Head Office of the Company, 900 Lancaster Building, Calgary, Alberta, on Monday, the 10th day of May, 1948, at the hour of 10:30 o'clock in the forenoon, for the purpose of receiving and considering the report of the Directors of the Company, the Balance Sheet and the Auditors' Report, electing Directors of the Company, approving the acts of its Directors and Officers, appointing Auditors and transacting such other business as may come before the Meeting.

The Transfer Books of the Company will be closed from the 27th day of April, 1948, to the 10th day of May, 1948, both inclusive.

DATED at Calgary, Alberta, this 22nd day of March, 1948.

By order of the Board of Directors.
J. W. DICK,
Secretary.
Registrar and Transfer Agent,
Crown Trust Company,
Calgary, Alberta.

Steveville Oil Company LIMITED

NOTICE OF SPECIAL GENERAL MEETING OF SHAREHOLDERS

TAKE NOTICE that a Special General Meeting of the Shareholders of Steveville Oil Company, Limited, will be held in the Head Office of the Company, 900 Lancaster Building, Calgary, Alberta, on Monday, the 10th day of May, 1948, at the hour of 10:45 o'clock in the forenoon, for the purpose of considering and, if deemed advisable, of passing as a special resolution of the shareholders the following resolution, namely:

(1) THAT the Company be voluntarily wound up under the provisions of the Companies Act, Revised Statutes of Alberta 1942, Chapter 240.

(2) THAT J. W. Dick, C.A., be appointed liquidator of the Company.

DATED at Calgary, Alberta, this 22nd day of March, 1948.

By order of the Board of Directors.
J. W. DICK,
Secretary.
Registrar and Transfer Agent,
Crown Trust Company,
Calgary, Alberta.

Ottawa Ready to Stop Leak Possible in Combine Laws

OTTAWA (Staff)—Decision of the Government to appeal the dental supplies combine court decision at Toronto means that no action will be taken toward amendment of the Combines Investigation Act until results of the appeal are known.

There is no doubt that the Government views with considerable alarm the ruling of Mr. Justice Barlow in the dental supplies case. If the decision is upheld in the higher courts, then steps will probably be taken to seek parliamentary action to stop the "leak" in anti-combines law as now apparently disclosed.

Meanwhile the Government is going ahead with other studies and reports in the six fields where it believes combines to exist. These are: optical goods, bread, flour milling, the flat glass industry, rubber goods and matches.

The most advanced report is that on the optical goods industry. It is understood that this report is almost completed and should shortly go to the printers. Other reports are in various stages of completion.

The Dental Case

Technical legal points are stated as the reason for the dismissal by the Toronto court of the Government's case against members of an alleged combine in the dental supplies trade.

As summarized recently in the House of Commons by Justice Minister Ilsley, the Crown's case against 18 dental supply companies was based on more than 500 documents seized under search warrant.

"No evidence was submitted by the defence and after argument lasting almost three days, Mr. Justice Barlow upheld the defense action for a directed verdict and directed the jury to enter a verdict of not guilty" the Minister added.

The three technical points on which the Toronto ruling was based, were:

(1) That the Crown should have proved specifically that the companies actually existed during the period of the charge.

(2) That the Crown should have proved that the persons purportedly acting on behalf of the companies, actually had authority to act.

(3) That signatures of persons signing letters, should have been proved by other evidence.

The Toronto court granted acquittal, not on the information contained in the documents but by taking the view that the Crown must prove the three points cited. The acquittal arises, in Mr. Ilsley's view "from a basic difference of opinion as to the rules of evidence to be applied."

Mr. Ilsley stated that in view of the importance of the matter "and its possible implications affecting future cases under the Combines Investigation Act," he had asked the Crown counsel, D. L. McCarthy for a special report.

MR. F. L. GRAHAM

The Bank of Nova Scotia announces that Mr. Frank L. Graham will retire on pension shortly, after almost fifty years of active service with the Bank.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

HOWARD SMITH PAPER MILLS 1947 net profit was up 60.9%. Record sales and production were achieved, due to extremely high demand and in some measure to improvements to the properties.

Capital expenditures amounted to $3,126,517, and further substantial amounts will be spent on capital account during the next two years, the annual report states. The new plant in Montreal for manufacture of laminated lignin plastic is under construction and is expected to come into operation in the latter half of 1948. A wholly owned subsidiary, The Arborite Co., has been incorporated, and when the new plant is operating, all activities respecting the manufacture and sale of this product will be handled by the new company.

Company operations resulted in revenue in U.S. funds to the extent of $5,762,507.

High volume of production and sales, combined with higher prevailing unit costs of raw materials and supplies, made necessary a large increase in inventory values, President E. Howard Smith states. As a measure of insurance against future heavy price reductions, directors considered it expedient to reduce total inventory values by $1 million out of this year's earnings.

CONS. INCOME ACCOUNT Years Ended Dec. 31:	1947	1946
Net earnings	$7,949,809	$4,896,492
Less: Depr. & depl.	1,636,721	1,507,505
Bond interest	161,816	110,000
Research exp. w/o	83,255	109,198
Inc. tax res.	2,790,850	1,327,103
Pension fund	370,516	177,531
Conting. res.	.....	250,000
Inventory res.	1,000,000	230,518
Net profit	1,906,651	1,184,637
Less: Pref. divds.	320,000	358,794
Common divds.	332,836	332,836
Surplus for year	1,253,815	493,007
Times Interest Earned:		
Before depr. & depl.	49.13	44.51
After depr. & depl.	39.01	30.81
Earnings per Share and Dividend Record:		
Preferred	$11.92	$7.40
Paid (new)	2.00	1.29
Paid (old)	....	2.12½
Common	4.77	2.48
Paid	1.00	1.00

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947	1946
Cash & Dom. bds.	$1,476,276	$2,072,670
Accts. rec.	4,777,567	3,619,075
Inventories	6,942,270	5,636,689
Total curr. assets	13,196,113	11,328,434
Funds on dep.	2,000,000	.....
Life ins. c.s.v.	74,678	68,998
Misc. assets & invest.ᵃ	1,308,398	664,700
Fixed assets	33,410,938	30,397,246
Total assets	49,990,127	42,459,378
Bank loans	.....	10,000
Accts., tax., etc., pay.	4,709,529	2,840,389
Total curr. liab.	4,709,529	2,850,389
Funded debt	6,600,000	3,200,000
Minor int.	2,151	2,135
Reserves:		
Depr. & depl.	19,246,592	17,866,424
Contingencies	288,200	323,200
Inventories	1,248,012	1,248,012
Capital stock	9,013,459	9,013,459
Capital surplus	620,344	587,828
Earned surplusᵃ	8,261,840	7,367,931
ᵃIncl. ref. EPT	286,715	286,482
Working capital	8,486,584	8,478,045

HUDSON BAY MINING & SMELTING realized earnings of $4.54 a share in 1947 compared with $3.21 in 1946. Increased earnings reflect higher metal prices, there being little change in volume of metals produced.

A total of 1,855,035 tons of ore treated during the year (36,522 tons more than in 1946) provided production of 82,301,298 lb. of copper vs 79,584,967 lbs. in 1946 and 105,794,839 lbs. of zinc vs. 102,656,828 lbs. the previous year. Gold and silver outputs were somewhat lower at 120,678 and 1,580,268 oz., respectively.

Ore reserves at Jan. 1, 1948, were estimated at 22,700,000 tons averaging 0.084 oz. gold, 1.20 oz. silver, 3.0% copper and 4.3% zinc, sufficient for over 12 years' operations at 1947 production rate. These reserves, which include 280,000 tons for the Schist Lake mine compare with 26 million tons averaging 0.089 oz. gold, 1.25 oz. silver, 2.99% copper and 4.24% zinc reported at Jan. 1, 1946.

Underground development was stepped up the latter part of 1947 with a more plentiful supply of labor. Considerable work was done on the 3,000, 3,250 and 3,500-ft. levels off the main shaft. No substantial ore body has been developed on the 3,750-ft. level in limited work so far completed. The south main shaft has been completed to 4,073 ft.

No. 3 shaft was extended 636 ft. during the year to a depth of 3,142 ft.

The new 19,000 h.p. unit of the Churchill Power Co. is expected to come into operation this year, bringing capacity to 110,000 h.p.

An addition to the pilot plant for testing the process for treatment of zinc plant is being built and large scale tests are to be carried out. Approximately 700,000 tons of residues are reported on hand.

A three-compartment shaft is being sunk north of the Schist Lake ore occurrence which is about 3½ miles southeast of Flin Flon. The present known ore, proven by diamond drilling to a depth of 600 ft., lies under water. Exploratory drilling is in progress.

Hudson Bay Exploration & Development Co., a wholly-owned subsidiary, completed extensive work in the Yukon and elsewhere in 1947 but no important new discoveries are reported. This subsidiary holds a 79.25% interest in Cuprus Mines, however, which is expected to reach production with a 300-ton mill by the fall of this year. A shaft has been sunk to a depth of 830 ft. with levels opened down to 800 ft. Ore reserves at Jan. 1, 1948, totalled 280,000 tons averaging 3.87% copper, 7.3% zinc, 0.049 oz. gold, and 0.99 oz. silver. The Cuprus mine is 8½ miles from the Flin Flon district.

CONSOL. INCOME ACCOUNT Years End. Dec. 31:	1947 $	1946 $
Total revenue	35,048,488	29,275,256
Less: Freight, etc.	2,289,560	2,356,630
Oper. costs, etc.	13,297,580	11,493,257
Operating profit	19,461,348	15,425,369
Less: Deprec.	961,413	904,834
Deplet.	320,471	295,456
Inc. taxes	5,670,000	5,370,000
Net profit	12,509,464	8,855,079
Less: Dividends	8,273,919	6,205,439
Surplus for year	4,235,545	2,649,640
Earnings per Share	$4.54	$3.21
Paid	3.00	2.25

CONDENSED CONS. BALANCE SHEET As at Dec. 31:	1947 $	1946 $
Cash & metals sold	18,578,172	18,996,345
Govt. certif. (non-int.)	......	5,300,000
Accts. rec.	270,292	225,673
Govt. bonds*	13,402,500	3,008,750
Metals in process & supplies	2,557,601	2,390,821
Total curr. assets	34,808,565	29,921,589
Def. chgs., etc.ᵃ	3,316,643	3,103,020
Claims & props.	9,425,753	9,420,131
Plant & equip.	31,933,679	31,087,254
Total assets	79,484,640	73,531,994
Accts. & tax. pay.	5,686,097	5,255,772
Other curr. liab.	213,588	177,074
Total curr. liab.	5,899,685	5,432,846
Deprec. res.	19,648,824	18,687,412
Depl. res.	5,720,539	5,400,068
Conting. res.	424,859	424,858
Mine develop. res.	1,365,467	1,397,089
Common stock	30,984,205	30,984,205
Surplusᵃ	15,441,061	11,205,516
*Market value	13,393,900	3,021,000
ᵃIncl. ref. EPT	1,392,163	1,680,957
Working capital	28,908,880	24,488,743

OPERATING STATISTICS	1947	1946
Tons milled	1,855,035	1,837,472
Average recov.	$18.58	$15.63

HYDRO-ELECTRIC POWER COMMISSION OF ONTARIO monthly load summary for Feb., 1948, shows an increase in primary power demands (actual loads plus cuts) of 2.3% or 46,094 k.w. (61,788 h.p.) over Feb., 1947.

The February summary records a decrease in the total generated and purchased power in the Southern Ontario System and Northern Ontario Properties, and an increase in the Thunder Bay System resulting in a net decrease of 3% or 60,501 k.w. (81,101 h.p.) from the corresponding month last year.

The detailed tabulation is as follows:

Maximum 20-Minute Peak Kw. (In Kilowatts)

Primary Demands: (Actual loads plus Cuts)	Feb. 1948	Feb. 1947	% Incr.
South. Ont.	1,807,414	1,764,975	+2.4
Thunder Bay	116,326	100,600	+15.6
Nor. Ont. Prop.	168,436	180,507	—6.7
Total	2,092,176	2,046,082	+2.3
Total Generated & Purchased:			
South. Ont.	1,664,404	1,673,600	—0.5
Thunder Bay	113,326	111,000	+2.1
Nor. Ont. Prop.	168,086	221,717	—24.2
Total	1,945,816	2,006,317	—3.0

Grain Prices

Winnipeg Grain Futures

Week to Apr. 5, 1948

Crop year from Aug. 1, 1947 High	Low		High for week	Low for week	Close Apr. 5
		Oats			
.95½	.72	May	.84	.78	.83
.95½	.68½	July	.77	.73¼	.76⅞
.82⅞	.66⅝	Oct.	.73¾	.72⅝	.73¾
		Barley			
1.35⅝	1.06	May	1.17⅛	1.10⅞	1.14¼
1.13¾	1.01¾	July	1.10⅛	1.05	1.08⅝
1.25¾	.98⅛	Oct.	1.03	1.02	1.02⅜
		Rye			
4.50	3.60	May	4.50	4.15	4.15
3.93½	3.01	July	3.75	3.47	3.47
3.05¼	1.68	Oct.	1.92½	1.84	1.86

Cash Quotations

	For Week Apr. 5 High	Low	Prev. Week High	Low
Oats				
2 C. W.	.86¼	.81	.93¾	.81⅝
3 C. W.	.82	.76¼	.78¾	.75
Barley				
1 Feed	1.14¼	1.08¼	1.11⅛	1.07⅝
2 Feed	1.13	1.07	1.09⅝	1.03⅝
Rye				
2 C. W.	4.68	4.40	4.65	4.25

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Admitted Assets.... $6,784,348.81
Surplus 3,180,060.58
Dom. Govt. Deposit 2,278,615.74

Write for Financial Statement

Head Office — WAWANESA Man. Eastern Office — TORONTO Ont.
Branches at Vancouver, Saskatoon, Winnipeg and Montreal

Lead, Platinum & Iron Ore Price Boosts Stimulate Activity in Base Metal Shares

BY GORDON M. GRANT

Never since reliable statistics first appeared in 1880 has the price of lead been anywhere close to the price established on Monday of this week. The price—lifted 2½c a lb. to 17.5c a lb. in New York — was more than 5c a lb. higher than the 12.25c a lb. high of World War I.

This boost (almost equal to the prewar Canadian price for lead) "teamed up" with a $14 an ounce bump in platinum, and a 65c increase in the U. S. (Cleveland Cliffs) price of iron ore, to promote sharp new interest in base metal market this week.

Investors pushed the price of Consolidated Smelters well through the $100 mark as the lead price advance was announced. British Columbia turned out 315.5 million lb. of lead last year. Almost all of it came from Smelters. It appeared that the increase in revenue to Consolidated Smelters would be close to $7.5 millions annually; or $2.25 a share or more before taxes.

Lead issues generally showed strength with Pend Oreille, New Calumet, Eureka Corp., Base Metals, New Norzone, etc., moving higher. Because lead is now selling in New York at about five times the price at which mines have contracted to sell their output early in World War II, Canadian interest in developing new lead mines is expected to be further stimulated. Good lead prospects are few and far between; but much ground has been gone over in recent months.

$2.6 Millions for Inco

Increase in the price of platinum by $14 an ounce to $86-89 an ounce will mean about $2.6 millions a year extra to International Nickel Co. which last year sold 191,000 of platinum group metals. Rising costs may cut into this extra revenue. There have been rumors recently that there may be an increase in the price of nickel to offset rising costs. There has been no denial by the management of these rumors.

Producers of zinc appear to be somewhat better off as a result of recent firmness in this metal. Up to last Thursday, U. S. zinc was quoted at about 12⅛c a lb.; orders were being filled as low as 12c a lb. The price has now firmed up to 12¼c a lb. with no metal available below this price.

Consolidated Smelters, Hudson Bay, Waite Amulet, Golden Manitou, Sherritt Gordon, Normetal, East Sullivan, and New Calumet, are a few of the operators that will benefit from higher zinc.

Iron Mines Aided

Announcement by Cleveland Cliffs Iron Co. that for the 1948 season it will pay 65c a ton more for various grades of iron ore will mean quite a bit extra for Canada. Just over two million tons of iron ore and iron sinter were turned out last year. Steep Rock and Algoma Steel are chief beneficiaries.

Even more important than immediate extra revenue to be realized through the higher ore price is the stimulus expected for expansion of iron mining facilities. Margin of profit for new projects of Hollinger North Shore Exploration Co., Labrador Mining & Exploration Co., (and Steep Rock and Algoma Steel Corp. as well) must look much better today. The increase in freight rates was an unfavorable development for iron ore mining at Steep Rock — it pays over $1 a ton freight—but this has been more than offset by the higher ore price.

Most authorities feel that a higher price for iron ore was a very logical development. If needed supplies of iron ore are to be secured, greater recourse to underground mining is going to be required in the United States. A higher price for iron ore will make underground mining a more economic project, it is pointed out. It will also assist development of new supplies in other countries such as Canada. Gradual development of plants for sintering of iron ores such as those of the Michipicoten area will be aided too.

Passage of legislation implementing the European Recovery Program is expected to mean a continuation of substantial European buying of numerous nonferrous metals, including nickel, copper and zinc. One of the main marketing uncertainties of recent months has thus been banished.

OIL PRODUCTION

Two Fine New Extensions Mark Leduc Field News

From Our Own Correspondent

CALGARY — Two important independent extension wells at Leduc flowed oil and gas in drill-stem test on April 1, added several tens of millions of barrels of oil to indicated petroleum reserve of Leduc-Woodbend area.

Both wells, by their location and depth, further evidenced that the Devonian rocks of Leduc are loaded with surprises, and that productive limits have still to be located by the drill.

One of the extension successes, the Okalta Oils-Leduc No. 2, has found oil and gas in the D2 zone, 1½ miles south of a group of wells which logged tight in D2, and about 1¾ miles southwest of a well (Imperial No. 9) which found oil in D2. Surprise fact is that the Okalta well showed no sign of water on its test, despite a bottom hole elevation 50 ft. lower than the D2 water line at Imperial No. 9. The Okalta well is now heading on for D3 zone.

The other extension success, Globe Oil and Leduc-West No. 7, has found oil and gas in the D3 zone, two miles west of the formerly established limits of that horizon. The No. 7, a few days ago, also found oil and gas in the D2 zone, first opened up on the far west side of the Leduc field by the Globe-Leduc West No. 1, east offset of No. 7. The D3 zone test on April 1 showed no water, despite fact that apparent bottom hole elevation closely approximates the oil-water line of D3 determined by previous Leduc-Woodbend completions.

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How Production Shared

The Okalta well is at the north end of a 240-acre tract of freehold rights, being developed by Okalta under agreement with the lease holders. Okalta will recover costs from first production of successful wells, will then split profits 50-50 with the lease holders.

Split of any profits from the No. 2 well will be 50% to Okalta, 10% to Anaconda Oils, and 40% to J. R. Hammill, W. S. Henderson and W. Fay Becker. Okalta and Anaconda will split any profits from production on the south offsetting L.S.D. 7 on a 50-50 basis, while Okalta and the three individuals mentioned will split any profits on the other 160 acres in the block.

• • •

Globe-Leduc West No. 7 will by-pass D2 zone production, to be taken later by a well to be drilled on the same location.

The Globe No. 7 well is on the west side of a 160-acre tract being developed on a 50-50 basis by Globe Oil and Leduc-West Oils. Like that team's 160 acres in the north Leduc area, the west quarter now appears good for dual-zone production.

• • •

New Regulations Announced

The Alberta Government has issued its long-awaited new reservation and oil and gas regulations, pertaining to oil and gas rights owned by the crown in the province. The regulations carry both good news and bad for the industry. Here are the highlights.

The new crown lease agreement will stipulate a maximum royalty on oil which may be collected by the government during the life of the lease (21 years, and renewable so long as oil is produced). The maximum crown royalty will be one sixth of gross production. Until now, royalty has not been set in the lease, but has been fixed from time to time by order-in-council. A government could raise the royalty to a prohibitive rate if it so desired. The present royalty, which will continue in effect until 1951, is a choice between 12½% and a sliding scale ranging from 5% to 15%. The new lease sets limit after 1951 at 16.66%.

Not so good news for natural gas consumers is a tripling of the Crown royalty on gas. Effective Apr. 1, gas royalty will go up from one quarter to three quarters of a cent per 1,000 cu. ft.

The new reservation regulations are toughened, a fact which will not be too well received by the industry. At present a company or individual may hold at one time two reservations covering up to 100,000 acres each of Crown rights. Under the new deal two reservations may still be taken, but the 100,000 acre reservation limit takes in all rights in the area to be worked.

The deposit on Crown reservation is upped from $2,000 per 20,000 acres to $2,500. The reservation fee remains $250.

• • •

Step Up Drilling Programs

Home Oil Co. and Saskatchewan Federated Co-operatives, are expanding their respective drilling programs at Leduc to three rigs each.

Home Oil Co., now running one rig on its Leduc holdings, is adding two more. The current rig has drilled in Home Leduc Nos. 1, 3 and 5 D3 zone successes, will now go to No. 7, the fourth D3 well on the same quarter section, the northwest quarter of Section 21.

The D2 zone, which was oil bearing, was cased off at the D3 wells, but a set of four D2 producers is to be drilled on the same locations.

At present Home Oil has two other quarter sections at Leduc, including the southwest quarter of section 9 offsetting the East Leduc No. [illegible] and Continental No. 1 D3 producers to the west, and the southeast quarter of section 3, half a mile south of Imperial No. 9, recent dual-zone success in the southeast extension area.

Development of the section 9 quarter is to start immediately. First well on this block will be Home Oil-Leduc No. 10, to be drilled as a west offset of East Leduc No. 3 producer.

• • •

The Saskatchewan Federated Co-operatives Ltd. of Saskatoon, as third step in a program involving three drilling rigs at Leduc, is going to develop the famed Renzo Falco 40-acre tract in that field.

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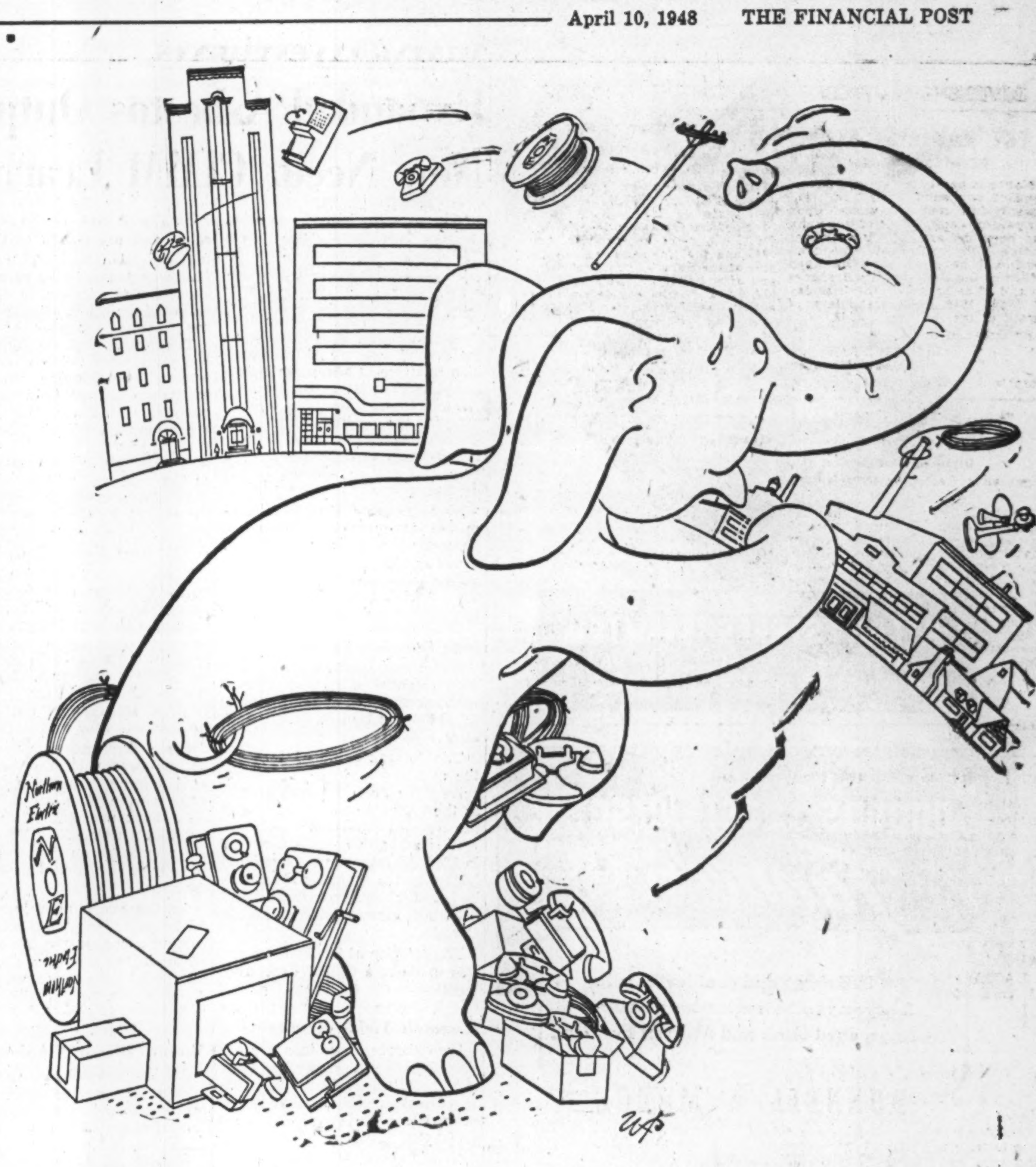

IT'S FANTASTIC, the demand for wires and cables and telephone equipment, that is caused by Canada's housing projects and industrial expansion. To supply these demands is a mammoth job at Northern Electric, Canada's largest makers of Telephone Equipment.
20-8-21

Employer and Union endorse N.E.S.

GENERAL MOTORS OF CANADA, LIMITED
OSHAWA, ONT.

Mr. L. Coulson,
Manager,
National Employment Service,
OSHAWA, Ontario.

January 28, 1948.

Dear Mr. Coulson:

As I explained to you our experience during the war period, when it was necessary for us to secure all our requirements through your office, brought to our attention a number of benefits for us. We found that after the elimination of Government controls, by placing our orders with your office, your placement officers, with the records which they had compiled during the war years, were able to select a much more stable type of employee than we could hope to secure without our duplicating the work already done by your office.

We also found that it eliminated a very bad condition which had prevailed for years, namely, a long line of applicants outside of our Employment Department when it became known that we were engaging new employees. It also placed a certain amount of control on the transient, especially in view of the housing situation, and again, it was a means of reducing labour turn-over in other industries in the area, for, as you will recall, our Company was always being accused of enticing employees from other industries.

Turning to a more selfish viewpoint, we found that in requesting our requirements through your office it eliminated accusations of favouritism, etc., which were unjustified, being levelled at our Employment Manager, and made his job much more agreeable.

Yours very truly,

R. B. Reddoch
Mgr. Industrial Relations.

Recent Union Agreement contains clause that all new employees would be referred through N.E.S. office

Union states their interests better served through N.E.S. office than direct application of workmen to company

Department of Labour
Humphrey Mitchell, Minister of Labour
A. MacNamara, Deputy Minister

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MINING INVESTMENTS

Expanded Asbestos Output New Need, CIMM Learns

"The asbestos industry appears to have reached a stage where considerable expansion of output of fibre is necessary. Demand for asbestos today far exceeds supply." So declared M. S. Badollet of the Research Department of Canadian Johns-Manville Co. at the annual meeting of the Canadian Institute of Mining & Metallurgy in Vancouver this week.

Manufacturers of asbestos products in the United States and Canada can shortly use 450,000 to 500,000 tons of asbestos fibre a year, if it can be obtained, he indicated.

New scientific aids have permitted manufacturers to adapt processes to various types of fibres and this, in turn, has been a factor in expanding demand for the mineral asbestos. Canada is the leading world's producer.

• • •

Inco Leads in Safety

An enviable safety record has been established in recent years by various mines of International Nickel Co. of Canada in the Sudbury area.

The Levack mine of Inco for the second year running has received the John T. Ryan trophy as the Canadian metal mine with the top safety record.

It is a really notable fact that in 1947, six mines of International Nickel in the Sudbury field each had lower accident frequencies than all other metal mines in Canada.

Presentation of the Ryan trophy was made at a CIMM Vancouver meeting.

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Research Yields Results

Two simple operations are expected to result in greater mine safety and the avoidance of hoisting disasters such as that which occurred at the Paymaster mine three years ago.

The Paymaster disaster was caused by corrosion of internal wires of the hoisting cable which was not discernible at the surface.

R. E. Dye, R. D. Parker and R. L. Healy, the committee appointed by the mine operators, reported to the Canadian Institute of Metallurgy at Vancouver on the methods devised to avoid recurrence of such disaster.

Emphasis was placed on the cause and prevention of the actual corrosion itself. This corrosion was found to be caused by electrolytic reactions in the interior of the cable, after moisture has pentrated beneath the surface.

Two ways of forestalling such corrosion were pointed out. One was to keep dripping water and moist air out of hoisting compartments, so that wetting of the ropes may be reduced. The other method was the use of lubricants, and additions to lubricants within the rope that will prevent the electrolytic reactions responsible for consuming the steel wires.

• • •

N. Y. Mart Boom & Golds

There has been some disappointment that the market upward movement in New York and Canadian industrial stocks has not been paralleled to a greater extent by Canadian gold stocks. It is fully appreciated, however, that what is good news for industrial stocks may not always be good news for gold stocks.

Some encouragement is nevertheless drawn by the Canadian gold mining industry from the more encouraging action of the New York market. It is pointed out that a rising New York market may mean an increase in the volume of risk capital seeking investment.

As there are many new and fairly promising gold properties coming along just now, any increase in the supply of risk capital should be a very encouraging development for the gold mining industry, it is argued.

• • •

Mount Allison Scholarships

Anyone planning a course in mining engineering may be interested in the scholarship situation at Mount Allison University, Sackville, N.B.

Several scholarships in mining engineering are available today at Mount Allison as provided for under the will of John Partanen, a Finnish prospector who died in 1942. Due to an apparent lack of interest in mining engineering, however, the first $400 award was only made recently to W. M. Tuttle of Amherst, N.S., the University reports.

The late J. P. Norrie of Amos, Quebec, noted Quebec mining man, a graduate of Mount Allison, was an executor under Mr. Partanen's will. It was through Mr. Norrie that the Mount Allison scholarships were arranged.

• • •

U. S. to Circulate Gold?

Considerable backing appears to have developed for Buffett Bill HR 5051 presented to the U. S. Congress and which has as its object a gold coinage and free circulation of gold.

Forty-two members of the U. S. Economists' National Committee on Monetary Policy have strongly recommended enactment of the bill. The economists have pointed out in a special statement that U. S. gold stocks were increased by $2.5 billions in 1947 and are now "ample in ratio and in amount, to back an adequate volume of circulating media on a fully convertible basis provided our Government follows a reasonably prudent course in the use of public funds..."

The Buffett bill would result in issue of U. S. gold coins of a $10 denomination. Larger denominations would be permitted, if found desirable. The Federal Reserve System would be required to maintain a gold reserve of at least 25% against their Federal Reserve notes in circulation.

Giant Dump Ore Shows Increase

A total of 12,744 tons of ore averaging $29.40 has been placed on surface dump at Giant Yellowknife Gold Mines with the 801 tons for the latest week averaging $33.60 a ton, The Financial Post is informed.

Of last week's total, 226 tons averaging $75.25 a ton came from B-212 stope development, reflecting the high sampling reported the week before. Back sampling of this stope during the week averaged $45.15 a ton.

North drift B-218 was driven 14 ft. during the week and slashing the north wall revealed the ore section with face sampling averaging $45.50 and car samples returning $26.95 a ton.

A total of 353 tons of ore from B-208 stope development ran $18.90.

A wide section of good grade ore has been indicated by a drill hole near the third level averaging $24.20 uncut for a core length of 65 feet.

MINING CONCENTRATES

DUVAY GOLD MINES has received payment for Mar. 19 underwriting of $5,000, comprising 100,000 shares. Issued capital is 3,190,005 shares.

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EMPIRE BRASS MFG. CO. shares were listed on the Toronto Stock Exchange Apr. 5. Ticker abbreviation is EBA.

• • •

GULF LEAD MINES shares were called for trading on the Toronto Stock Exchange Apr. 5. Ticker abbreviation is GU.

• • •

KIRKLAND GOLDEN GATE MINES has encountered considerable ore in opening up two new levels at depths of 525 and 650 ft., President W. J. Lawson states. Difficulties in financing, however, make it necessary to suspend active underground operations temporarily with work to be confined to diamond drilling. It is considered inadvisable to mill ore opened so far until a greater tonnage can be determined.

• • •

MACDONALD MINES announces some modification in plans for treating reported 4,482,000 tons of ore grading 5.25% zinc and over 80% pyrite in No. 1 upper level ore body extending from surface to below 325 ft. Previously company had considered mining by open pit methods but consideration is now being given to selective mining of the ore to obtain a higher average grade and offsetting increasing costs. A detailed analysis of results obtained from diamond drilling No. 1 ore body was made by engineers and it was concluded that: 2,000,000 tons of ore averaging 8% zine and approximately 80% pyrite, with a further 500,000 tons of a grade, that would result in an average of between 7% and 8% zinc and over 75% pyrite for a total 2.5 million tons, could be selectively mined by a combination of open pit and underground operations. It is now proposed to prepare ore body for production at an initial rate of 300,000 tons annually with initial mill capacity of 1,000 tons daily and provision made for increasing to 1,500 tons as operations expand.

Northern Quebec Gold Mines Get Needed Power

From Our Own Correspondent

NORANDA — Power restrictions on all Northwestern Quebec mines and towns served by Northern Quebec Power Co. were lifted early this week, to the great relief of northern municipalities.

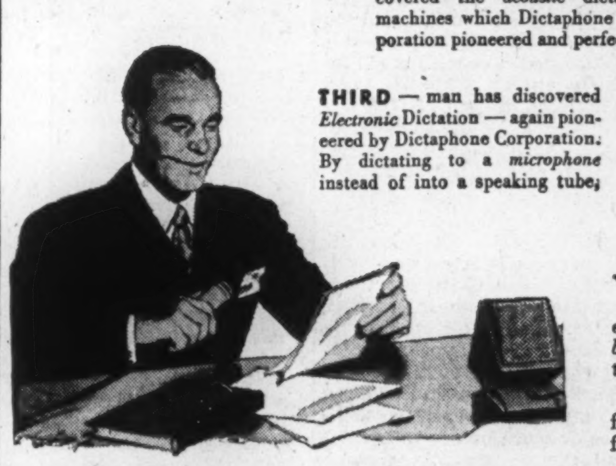
Some 60 mines have been notified that their power worries are over, for the present at least.

Due to a slight improvement in the water situation, President R. V. Harrison states that full load can be continued for two weeks even without rain. However, with break up proceeding, further improvement in the power situation is anticipated.

Some mines found a considerable adjustment necessary to meet the 10% power saving required. Malartic led the list, however, reaching a power conservation of 20% last week.

Streets, browned out since mid-February, have their full lights. Neon signs have been turned on again in Rouyn-Noranda, Malartic, Cadillac and Val d'Or.

Man Discovers Electronics!
Man has made three important discoveries *because* he was too busy.
← FIRST—ages ago—he found he could save time by dictating to a shorthand stenographer.
SECOND — he later found that he could save even more time by dictating to a *machine*. He discovered the *acoustic* dictating machines which Dictaphone Corporation pioneered and perfected.



THIRD — man has discovered *Electronic* Dictation — again pioneered by Dictaphone Corporation. By dictating to a *microphone* instead of into a speaking tube, he has moved into the electronic age. He merely thinks out loud —and his every word is instantly, accurately recorded.
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Bi-Ore Ships Ore To Inco Smelter

Bi-Ore Mines has made its initial shipment of copper concentrates from Mississauga Forest Reserve property to the International Nickel smelter, The Financial Post is informed. Shipment amounted to 84,520 lb., having an average copper content of 30.38%, equivalent to 24,922 lb. Company expects to receive between $3,750 and $4,000.

Ore is being mined from a zone which is reported indicated on surface for a total combined length of 2,400 ft. and is separated into two sections by the arm of a lake. A tunnel has been driven into the side of the hill on the west section with about 300 ft. of backs above tunnel elevation.

Grade of ore being mined is said to be about 5% and estimates have been made indicating sufficient reserves for 2½ years at present rate of 45-ton per day Gibson mill. A second unit on order is expected to raise capacity to 150 tons daily.

World's Copper In Short Supply?

According to statistics developed by the U. S. Bureau of Mines for congressional committee use, the world is expected to produce 2.5 million short tons of copper during 1948. Canada, it is estimated, might produce about 10% of this total.

The Bureau believes that more than this world tonnage of copper could be produced but that without greater pressure for production, the total is not likely to exceed that estimated for 1947.

The total estimated for 1948 is believed inadequate for filling all needs.

PORCUPINE PENINSULAR GOLD MINES advises that Apr. 1 option installment of 84,095 shares at 25 cents a share has not been exercised and balance of agreement with Anglo-Huronian has been terminated by default.

LONG DISTANCE...
the call to action

"It's Long Distance for fast, first hand news!" That's common knowledge to thousands of Canadians who use Long Distance service regularly. Recently a ship owned by a Montreal firm ran aground near the Straits of Canso but managed to limp into a Nova Scotia port. From here, the ship's Superintendent phoned Long Distance to Montreal. In a conference circuit, with eight parties on the line, the owners, insurance company, engineers and salvage firms learned the extent of the damage directly from the ship's Officer. Directions were immediately given to make the vessel seaworthy again.
Whatever your business, get *action* and *results* by phoning Long Distance regularly! Trans-Canada, the association of Canada's telephone systems, gives you fast, efficient, inexpensive service.
The three minute rate for a call like the above would cost $6.50.
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Torbrit Silver Values Run Spectacular In Initial Mining Corp. Lateral Work

Silver values on the spectacular side have been secured recently at the property of Torbrit Silver Mines, Alice Arm, B.C., where operations are being financed by Mining Corp. of Canada of which Torbrit is a subsidiary. Earlier information which suggested that Torbrit possessed one of the largest known silver occurrences in Canada is apparently being further confirmed.

Initial underground diamond drilling under the direction of Mining Corp. has returned ore intersections up to 150 ft. Underground sampling has provided values higher than anticipated from results reported by earlier operators from whom the property was purchased.

After the recent dewatering of the winze and crosscut at the bottom of the winze, diamond drilling was started from the end of the crosscut to test the downward extension of the ore zone. Assays have now been received from two of these holes.

21 Oz. for 150 Ft.

A flat hole drilled to cut the ore about 100 ft. west of the winze crosscut returned a core length of 150 ft. averaging 21 oz. silver with the end of the hole still in ore. The last 5 ft. ran 24.5 oz. silver and native silver occurs in the last foot, but the hole had to be stopped due to mechanical trouble with the drill. It is to be deepened later.

The second hole was drilled down at 45 degrees to test the ore zone about 75 ft. east of the winze crosscut. It indicates that the ore zone has a comparatively flat rake to the west and gave one intersection of 20 ft. averaging 15 oz. silver, and a further intersection of 9 ft. averaging 10.2 silver.

Sampling of the winze crosscut by former operators indicated 55 ft. averaging 35 oz. silver. Since dewatering, the east side has been resampled and assays have averaged slightly higher than that previously obtained.

The main ore body has an apparent east-west strike. The hole which secured 150 ft. of silver-bearing core was drilled almost at right angles to it suggesting a substantial true width in this section. However, until further information is available on rake and dip, officials are not prepared to estimate true width at this juncture. The easterly hole was drilled chiefly for informational purposes and may have been near the easterly end of the ore body which apparently pitches west with depth. The deposit is a replacement one.

All Mill Equipment In

All the equipment for the 300-ton mill has now been taken into the property together with a 1,600 hp hydro-electric plant. Full-scale construction operations will start early in the spring and it is hoped that production may be commenced this fall although it may be the end of the year before the mill actually turns over.

Construction of the 17.4-mile road from Alice Arm, B.C., to the mill site proved a bottleneck for a time, but this difficulty is well past. It is hoped that no further comparable delays will be experienced. Snow or rain fell in 182 days of 1947 holding up final completion of the road until the latter part of the year.

While little underground work besides drilling is expected to get under way before turning on of power, the management does not anticipate any difficulty in supplying the mill with ore when the mill turns over because there are plenty of openings available from which to draw.

Most of the work has been done at the main 1,900 adit level. The winze extends 150 ft. below the 1,900 level and there are also several adits above which have confirmed the ore occurrence at greater height. The ore reserves estimate of 430,000 tons averaging 19.3 oz. silver does not include any allowance for ore below the winze level.

....

Up to the end of 1947, Mining Corp. had advanced approximately $1,275,000 for the placing of the Torbrit property in production, all of which is repayable out of first profits.

When the property was last worked, silver sold at only 30 cents an ounce. It is at present selling at 74⅝ cents an ounce, appears fairly well stablized around this figure.

Ogama-Rockland To Be Producer About May 15th

All new machinery and equipment for the 150-ton mill of Ogama-Rockland Gold Mines has now arrived at the property and installation work is proceeding rapidly, The Financial Post is informed.

A 78-ft. B.C. fir headframe is being erected and when completed, ore and waste bins will be built. It is expected that the mill will be in operation on May 15.

Lateral work is proceeding on the second, third, fourth and sixth levels. Recent work has been opened up on the sixth level, and ore has also been encountered on the second level, approximately 800 ft. west of the main shaft, it is stated. This heading was driven as an exploratory drift and is now well in advance of any of the other levels.

A raise is now being driven through the ore shoot from the fourth to the third level. This raise is now two-thirds completed and has opened a very high-grade section of ore. Another raise has been started from the fifth level to open up the ore between the fifth and fourth levels.

Winter freighting was completed on March 23, well ahead of schedule.

Discovery Purchases 200-ton Milling Unit

A deal has been completed by Discovery Yellowknife Mines with American financing interests whereby a 200-ton daily capacity flotation mill will be placed on the Yellowknife property. The financial group has agreed to accept payment in stock for the mill which is located in Montana and was formerly used in a base metal operation.

As treatment of Discovery ore is considered simple the flotation unit will be discarded and some additional cyanidation equipment is being purchased.

Construction of mill building and machinery foundations will be carried out during the summer and it is expected that milling will commence by May 1, 1949. Development work on the first two levels of the mine is reported to be well advanced and it is expected that the mill will start at an initial rate of 100 to 150 tons per day. In the meantime, further mine development will be carried out; this will include deepening of the main shaft and opening of one or more additional levels.

Elder Gets Good Value In No. 4 Vein on 400

Good grade ore has just been encountered in No. 4 vein at the 400-ft. level of Elder Mines, according to a wire received from A. H. Honsberger, the company reports. Drifting south on No. 4 vein at this level has returned a value of 0.35 oz. gold ($12.25) across a width of 9.0 ft., it is reported.

Uranium Data Off Hush List

Prospectors & Developers Permitted to Disseminate Details of Assays

Further broadening of its new policy of encouraging development of occurrences of radio-active minerals, including uranium, by private capital, the Atomic Energy Control Board will now permit a freer flow of information about analyses of such minerals.

The Control Board will now allow prospectors, and others concerned, to be informed of and to communicate to other persons, the results of analyses of ore samples and to have hand samples for usual prospecting and mining purposes.

It now also becomes possible for prospectors and others receiving such information to give "any person" information about location and probable extent of deposits containing uranium or thorum, which is a uranium substitute. This right is subject to the provision of any specific board order, it is pointed out.

These Still Barred

These changes, however, do not apply in the case of any uranium containing any of the isotope U233 or any greater proportion of this isotope U235 than is normally present in nature. This material is stated to be a vital component in the atomic bomb.

Persons performing analyses of radio-active minerals can now report the results to the persons for whom the analyses were performed, provided a similar report is made to the Dominion Department of Mines. In this case, the Mines Department would be acting as an agent of the Board.

The general order states it is still necessary the Board be informed of the place of origin and character of radio-active materials discovered by any person. If the necessary information is sent to the analyst, it may be forwarded with the results of the analysis to the Mines Department of the Board.

Specific orders also will be needed to permit mining operations involving the removal of radio-active material in excess of sample quantities. These orders will contain provisions about security, both as to the material and information.

Murmac Uranium Shows May Get Drill Testing

In a report received from its consulting engineer, Colin A. Campbell, Murmac Lake Athabaska Mines has had a program of diamond drilling recommended for its property which adjoins the Box mine of Consolidated Smelters.

Information on results secured can now be published due to a change in regulations of the Atomic Energy Control Board.

In concluding his report, Mr. Campbell says: "From the information secured from the analysis for pitchblende as reported by Mr. Filmer and further supported by Mr. Fairburn's report in 1947, it would appear that your company has an excellent chance of developing a uranium deposit on the Lake Athabaska property . . I recommend that a diamond drill campaign, employing an X-ray drill, be commenced as early as climatic conditions will allow in order to sample a uranium-bearing belt designated by Mr. Fairburn."

In his 1947 report W. H. Fairburn reported that a Geiger survey of the Murmac property had been completed, covering "not only those areas in which it was known that uranium-bearing materials were present ,but also throughout the rest of the property." A series of uranium-bearing zones was indicated by the Geiger survey and these were trenched and sampled, Mr. Fairburn reports.

Higher Custom Ore Payments Are Announced By Smelters

Increased payments will be received by custom mines shipping ore or concentrate to the smelter at Trail, B.C., Consolidated Mining & Smelting Co. announces.

Under a new schedule covering purchase of lead ore and concentrates, the shipper will be paid for 92½% of the lead in his ore or concentrate instead of 90%. Another item which can benefit customs shipper is a new scale whereby the treatment charge of $12 per ton will be reduced by 10c for each unit of contained lead over 30%. For example, a shipper who was being charged $12 a ton for treatment of a 60% lead concentrate will now be charged only $9 per ton. Previously, no such reduction in treatment charges was available. Now a shipper can materially improve his returns by sending in a high grade product, it is pointed out.

The customs shipper to Cominco received another benefit earlier in the year. On Jan. 7 U. S. railroads substantially increased their freight rates and thus reduced the returns received by the smelter for refined metal sold in United States. Cominco absorbed the drop in net returns and continued to pay customs shippers on the same basis as before the freight rate increase.

Dome and Sigma Outputs Higher

Both Dome Mines and its subsidiary, Sigma Mines (Quebec) showed a sharp increase in gold production during March, 1948.

Dome turned out bullion worth $466,261 from 53,800 tons of ore milled during the month for an average recovery of $8.67. This was the highest monthly production figure of 1948 and compares with $390,526 for February and $450,036 for March, 1947.

March production value for Sigma amounted to $201,320, the highest for several years. It was secured from 34,392 tons of ore for an average of $5.85 a ton. February production had amounted to $189,793 while production in March 1947 totalled $174,464.

Rupununi Extends New Ore Deposit

Two further drill holes put down by Rupununi Gold Mining Co. (Canada) to test for extensions of the three commercial ore bodies indicated in drill hole No. 43 in the Mazoa Creek area have also returned commercial intersections, according to official anouncement.

Drill hole No. 44—located 50 ft. east of No. 43—has returned the following assays: 0.41 oz. gold from 259 to 266 ft.; 0.32 oz. gold from 366 to 384 ft.; and 0.29 oz. gold from 423 to 455 ft.

Hole No. 45, drilled 50 ft. west of No. 43, has returned assays as follows: 0.24 oz. gold from 244 to 283 ft.; 0.37 oz. gold from 361 to 371 ft.

General Manager A. E. Pugsley, who was in Toronto and New York last week conferring with the New York financial interests, declared that holes Nos. 44 and 45 are still in the favorable formation and will be deepened after holes Nos. 46 and 47 have been completed.

Hole No. 46 will be drilled 50 ft. west and 50 ft. north of hole No. 45, while hole No. 47 will be drilled 50 ft. east and 100 ft. south of hole No. 44, it is stated.

Mr. Pugsley left New York for the mine on April 6.

DONALDA MINES is carrying on negotiations with Powell-Rouyn for handling of Donalda ore on a custom basis, Chamberlin Management Corp. reports. Treatment of ore on a custom basis would permit taking advantage of the Government bonus at an early date and would permit further determination of the potentialities of the property with a minimum outlay of funds, it is stated. No final decision has yet been made.

Work completed on four levels has indicated 2,193 ft. of probable ore shoots with an average grade of 0.379 oz. gold across 3.38 ft., it is stated. Over an average mining width of 5 ft., grade would run $8.96 a ton.

Exploration of outside ore chances is being continued by diamond drilling.

The balance sheet at December 31, 1947, showed $260,824 of current assets as against current liabilities of $5,967.

BANKERS BOND CORP. has moved into larger quarters on the fourth floor of the new Barclays Bank Building, Toronto. L. G. Millson, formerly of Wood, Gundy & Co., has been appointed Eastern Ontario representative with headquarters in Kingston, and J. G. Haxton has been appointed statistician and head of the Statistical Department.

MINERAL TOUR BOOK

There will be available this year for tourists a Mineral Year Book of Nova Scotia.

The booklet contains road maps, and points of interest from a mineralogical and geological point of view are described therein. It is of particular interest to mineral collectors.

For further information apply to

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HON. M. A. PATTERSON, LL.B., *Minister*

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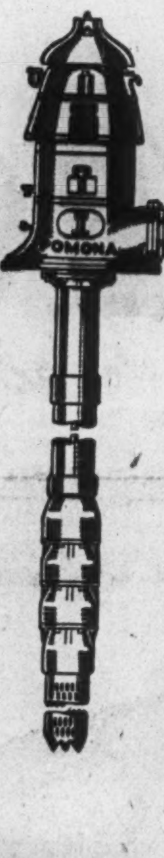

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O'Keefe's BREWING COMPANY LIMITED

U. K., U. S., Get Tougher Toward Russia; Cripps Presents Austerity Budget

LONDON — Perhaps, instead of the usual heading of this column, it should be "Berlin Calling." Not that I am there, but I imagine that Toronto, New York and London are all listening to the noises from Berlin.

I am writing this on a Friday and have to report that the German situation is so disturbing that the stockbrokers have remained in town instead of going to the country for the weekend. However, the investor has shown no sign of panic. Like everyone else, he has become a fatalist.

The trouble with the Russian is that he is so crudely logical. It is true that Berlin is divided into four zones, the Russian, British, French and American; but it is also true that Berlin is actually in the Russian section of Germany. Therefore, after the Quadropartite Control Commission had agreed to differ the Russians probably felt that the entire adminstration of Berlin ought to revert to them.

The Muscovite has always been suspicious, and he is never so much an Asiatic as when he is pretending to be a European. Reports indicate that some of the Americans are feeling trigger-happy and that even the tolerant British soldier is becoming very bored — which means that he won't stand too much nonsense.

• • •

Palestine is also calling. It would seem that the Arabs and Jews are determined to exterminate each other, and to take as many British soldiers with them as possible. Jewry is a world problem and should be dealt with on a world policy. The eagerness of America to force a solution and her subsequent decision not to send troops to enforce it has driven the Palestine Jews to a new despair and a new fury.

• • •

Spain is also calling. For two whole days, Franco's country was to be included in the Marshall Plan, and then it was out. Everybody is glad that Franco has suppressed Communism; but no one will forgive him for fighting the Communists when it was unfashionable. As in golf, timing is everything.

• • •

Cripps Budget Fuel for Anglophobes

However, there is one man who is not listening to foreign capitals and that is Sir Stafford Cripps the Chancellor of the Exchequer. By the time these notes country for the week end, How- will know all about his budget.

However, the budget will be debated for several days; and he will certainly be pounded hard for whatever he does with his £600 million surplus. The purists contend that such a surplus is inexcusable, as well as being highly embarrassing. Cripps will no doubt reply that the baby was not his, and that he merely found it at the doorstep when he moved into No. 11 Downing St.

Part of his embarrassment is that Colonel McCormick's Chicago Tribune will certainly convert the £600 millions at the broad rate of $5 to the pound into a surplus of $3,000 millions. The Tribune will then depict John Bull with his cap in one hand, and his surplus held behind his back, begging for charity from Washington. The Colonel is a sportsman, inasmuch as he rides a horse and maintains a shoot; but journalistically he has never refused to shoot a sitting bird.

Mr. John Knight, the owner of the Detroit Free Press and the Chicago Daily News will also join in the sport. He is more intelligent than the Colonel, and still has some conscience; but he becomes increasingly anti-British. Neither he nor the Colonel is likely to explain that a large proportion of the surplus comes from "clawing back" unused funds allotted for war expenditure.

However, we shall reserve further comment on the Budget for next week. It will be interesting to see how Cripps carries himself in the long duel of wits that is upon him.

• • •

As was expected, the important post of editor of the London Times has been filled by a member of the staff. Some people thought that it would be given to Geoffrey Crowther, editor of the Economist, but he would have been too individualistic for the rather muted Thunderer of today.

Mr. Barrington Ward who died while on holiday, will not be numbered among the great editors of the Times. He leaned philosophically to the Left, yet tried to keep in touch with the Right. He was an excellent judge of news, but his policy lacked strength and consistency.

Now the great old newspaper passes under the control of an Irishman, and more than that, a man who was once an Irish playwright. Mr. F. W. Casey, in his middle fifties is bald and quite charming. I do not use that in its ordinary polite sense. He definitely has charm, which has always smoothed the way for him.

• • •

He will not find anything strange about his new job, for he has been assistant editor for some years. Politically he is on the Right but will not be a slavish supporter of the Tory Party. It is expected, however, that the Times will now be more outspoken in its criticism of the Government.

Both he and Barrington Ward refused to remain tied to their desks. They both operated as privileged reporters, calling upon diplomats and cabinet ministers, never for the purpose of publishing an interview, but to get the background to events.

There is a sudden demand now for Mr. Casey's novel "Private Life of a Successful Man," which he published in 1935. The hero of the story was undoubtedly based on Lord Northcliffe who bought the Times but found it beyond his temperament to control. The whole story is a shrewd estimate of the Napoleonic newspaper proprietor who wants to be ruthless yet loved.

Now Mr. Casey will be unable to write a play or a book. Nor will his name ever appear in the Times until his obituary is published. It is a tradition that is never broken.

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COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

MINNESOTA & ONTARIO PAPER CO. 1947 net profit was more than double that of the previous year at $5,753,359 ($2,190,207). Net sales were $48,996,712 compared with net sales of $29,464,110 for 1946. The 1946 sales were curtailed by a shutdown of approximately three months at the International Falls plant due to labor difficulties. Increased earnings reflect continuous operations and increased volume, aided by plant additions and improvements becoming available during the year and moderate price increases, President Donald D. Davis states.

Volume of manufactured products at the company's Canadian plants were: newsprint 173,730 tons (164,827), groundwood specialty papers 16,005 (5,605), sulphite pulp (in excess of company's requirements) 171 tons (none).

The company's program for capital additions and betterments to its plant initiated in 1945 contemplated expenditures of approximately $11.5 millions of which $9 millions had been spent at Dec. 31, 1947 upon projects which have been completed or which are in process, with the likelihood that due to increased prices and costs such expenditures will substantially overrun the figure of $11.5 millions.

Substantial progress has been made in the mechanization of forest operations in the production and handling of pulpwood. During recent years in order to improve its wood supply the company has purchased timber bearing fee lands and has also purchased tax forfeited lands suitable for growing timber in the area tributary to International Falls. These tax forfeited lands and such of the company's fee lands as are cut over, have been placed under the State of Minnesota Special Auxiliary Forest Act, thereby obtaining the benefit of reduced tax burden during the period that timber thereon is growing.

CONSOLIDATED INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net sales	$48,996,712	$29,464,110
Net earnings*	10,748,695	4,075,949
Less: Bond int.	82,936	123,026
Conting. res.	400,000	......
Income taxes	4,512,400	1,762,716
Net profit	5,753,359	2,190,207
Less: Divds.	1,934,997	......
Surplus for year	3,818,362	2,190,207
*After depr. & depl. of	1,896,354	1,647,773
Times All Interest Earned:		
Before depr. & depl.	150.06	46.52
After depr. & depl.	129.60	33.13
Earnings per Share and Dividend Record:		
Common	†$4.46	$1.69
Paid	*1.50	...

*U. S. funds.
†After contingency reserve; before earned $4.77 per share.

CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & invest.	$7,227,271	$4,180,835
Accts. rec.	3,781,145	3,428,434
Misc. curr. assets	276,539	247,188
Inventories	10,064,510	9,708,027
Total curr. assets	21,349,465	17,564,484
Misc. assets	795,042	956,902
Investments	255	255
Fixed assets*	33,917,543	29,993,635
Total assets	56,062,305	48,515,276
Notes pay.	......	157,950
Accts. & tax. pay.	8,434,647	5,621,708
Other curr. liab.	1,252,166	477,944
Total curr. liab.	9,686,813	6,257,602
Funded debt	2,684,100	2,842,050
Conting. res.	1,200,000	800,000
Misc. res.	114,892	......
Capital stock	6,449,970	6,462,610
Paid-in surplus	21,526,014	21,420,535
Earned surplus	14,400,516	10,732,479
*After depr. & depl. of	16,186,374	14,766,111
Working capital	11,662,652	11,306,882

PETROL OIL & GAS CO. net revenue increased $6,419 to $23,310 in 1947, due to greater income from oil production and royalties. Net profits finished $6,683 higher at $8,334.

Net working capital increased from $20,786 to $21,910. Dividends totalling $6,600, or three cents a share, were paid during the year

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Prod. & roy'l rev.	$23,441	$16,957
Less: Royalties	469	403
Add: Other rev.	338	337
Total net rev.	23,310	16,891
Less: Oper. exps.	10,528	11,602
Depreciation	1,628	1,643
Depletion	2,344	1,696
Inc. taxes	476	299
Net profit	8,334	1,651
Less: Dividends	6,600	......
Surplus for year	1,734	1,651
Earned per Share	$0.0379	$0.0075
Paid	0.03	......

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	1946
Cash & govt. bds.	$20,822	$19,561
Accts., etc., rec.	2,192	2,254
Total curr. assets	23,014	21,815
Def. & prep. chgs.§	324	352
Prop. leases & dev.†	201,816	203,069
Plant & equip.‡	8,701	12,130
Total assets	233,855	237,366
Accts., etc., pay.	404	357
Uncl. divds.	700	672
Total curr. liab.	1,104	1,029
Capital stock	220,000	220,000
Capital surplus	1,454	6,377
Earned surplus	11,297	9,960
‡After depr. of	117,128	115,500
†After depl. of	34,645	32,301
§Incl. in current assets in co's. report.		
Working capital	21,910	20,786

WATEROUS LTD. 1947 net profit was double that of the previous year at $248,152 ($119,672). Gross profit from operations amounted to $712,152. Employee share of profits was $111,807.

INCOME ACCOUNT

Years Ended Dec. 31:	1947	1946
Net earnings	$659,805	$298,755
Less: Interest	20,507	19,388
Depreciation	64,983	58,240
Empl. share of prof.	111,807	......
Income taxes	214,356	101,455
Net profit	248,152	119,672
Less: Cl. A divd.	15,180	......
Com. (new) divd.	19,895	......
Com. (old) divd.	11,500	11,500
Surplus for year	201,577	108,172
Earnings per Share* and Dividend Record:		
Cl. A: Earned	$6.54	$3.15
Paid	0.40	....
Com. (new): Earned	2.19	0.90
Paid	0.20	....
Com. (old): Paid	4.00	4.00

*Based on new capitalization.

CONDENSED BALANCE SHEET

As at Dec. 31:	1947	a1946
Cash & Dom. bds.	$39,450	$32,360
Co's own bds.	10,200	......
Accts. rec.	572,238	314,743
Life ins. c.s.v.	11,900	9,409
Inventories	1,343,767	996,989
Total curr. assets	1,977,555	1,353,501
Prep. ins. & exp.*	31,726	23,273
Misc. assets∆	87,235	91,734
Fixed assets§	601,673	497,500
Total assets	2,698,189	1,966,008
Bank loans	141,686	127,898
Sales & inc. tax	150,619	68,347
Other curr. liab.	882,050	406,587
Total curr. liabs.	1,174,355	602,832
Conting. res.	7,254	59,164
Funded debt	400,000	400,000
Capital stock	287,500	287,500
Capital surplus	58,641	58,641
Earned surplus‡	‡‡770,439	557,871
*Shown in curr. assets in co's. accts.		
∆Incl. ref. EPT	84,106	89,355
‡Incl. ref. EPT.	101,869	89,355
§After depr. of	1,315,044	1,263,262

aPro. forma, after capital changes, cancellation of debentures and issue of bonds.

‡‡Reflects debits totalling $160,000 for patents, goodwill w/o; transfer of reserve for contingencies and bond commissions.

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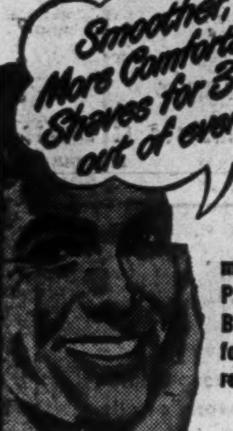

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It has been outstanding in *appearance*—with its distinctive Silver Streak styling and beautiful bodies by Fisher. It has been consistently praised for its *performance* — based on smooth, powerful six and eight cylinder engines. It has a record for long life and dependability unsurpassed in the automotive industry.

And now, in the 1948 Pontiac, comes revealing proof of Pontiac's *continuing* leadership. Not only is the new Pontiac far more beautiful and luxurious—but it offers, as optional equipment on all models, the famous GM Hydra-Matic Drive*! This mechanical masterpiece, which eliminates the clutch pedal and makes shifting entirely automatic, is one of the greatest contributions to driving ease and safety in the history of the motor car.

And Pontiac is the world's lowest-priced car to make it available to the motoring public. There's a wide range of body styles and striking colors — each more beautiful and more luxurious than ever — and each an outstanding value.

*at additional cost

PLUS ALL THESE FINE CAR FEATURES

NEW, SMARTER SILVER STREAK DESIGN • UNISTEEL BODY BY FISHER, WITH NO-DRAFT VENTILATION • SHOCK-PROOF KNEE-ACTION, TRIPLE-CUSHIONED RIDE • SMOOTH AND ECONOMICAL SIX AND EIGHT CYLINDER L-HEAD ENGINES • SCOTCH-MIST QUICK WARM-UP MANIFOLD • GAS-ELECTOR • VACUUMATIC SPARK CONTROL • FULL-PRESSURE METERED-FLOW LUBRICATION • MULTI-SEAL HYDRAULIC BRAKES • TRU-ARC SAFETY STEERING.

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